MARICOPA COUNTY

MANAGING FOR RESULTS

**What we are doing today contributes to
our strategic direction.**

**We know what we have done
has been effective.**

**We know how much it costs to deliver
our programs efficiently.**

Maricopa County
Strategic Planning Resource Guide

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Acknowledgements

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Maricopa County's
Managing for Results System

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Introduction/Overview

Background

Maricopa County's efforts in Managing for Results have established a foundation on which to build a highly integrated management system focused on results for customers. The County's "Resource Accountability Project (RAP)," has prepared the County well for such an effort, in terms of the organizational culture and appropriate resource materials. With RAP, the County infused its Managing for Results initiative with exceptional executive leadership, dedicated and talented staff, and substantial written materials. As a result, there is a leadership culture very excited about and committed to Managing for Results.

Central to the County's approach to Managing for Results has been the efforts of six departments, which piloted performance measurement. Their groundbreaking efforts generated significant momentum and learning, which have positioned the County to move forward in Managing for Results. Now, because of the significant leadership commitment made by David Smith, County Administrative Officer, his staff and the Department Leaders, it is possible to create an integrated management system focused on results for the customers, ultimately Maricopa County taxpayers.

Strategic Planning Effort - 2000

Now in 2000, Maricopa County is ready to Manage for Results developing Strategic Plans that integrate planning with budgeting and performance measurement. This effort will create powerful tools for making good business decisions and achieving department/agency and corporate goals and priorities.

The Resource Guide for Strategic Planning developed by the County, along with the training that staff have or will receive provides the resources and tools needed to develop high quality Strategic Plans that managers can use to manage. Of importance, the Guide will provide information and timelines on how the County will move toward Performance-Based Budgeting and the integration of results-oriented performance information in every employee's appraisal.

The Resource Guide also provides the methodology for creating alignment of the people, resources and systems of each Department/Agency. This makes it possible for each employee to know how his or her job contributes at every level of the organization.

It is important to note that County Strategic Plans are focused on the near future, typically a two to five-year horizon, and are always linked directly with operations, performance and budget of the Department/Agency.

Why Are We Doing This?

 Strategic Plans are developed to support:

- Good Management Practice by:

    ➤ Providing the right information to make good decisions
    ➤ Aligning every employee to organizational success

- Information needed to tell customers what they are getting for their investment (taxes).

What we hope to accomplish with this new management system is that employees in Maricopa County can make these three statements.
1. What we are doing today contributes to our strategic direction. (Every department has a strategic plan linked to their operational plan and every employee's performance plan.)
2. We know what we have done has been effective. (Performance measures are identified and managed by every activity demonstrating the results produced.)
3. We know how much it costs to deliver our programs efficiently. (All human and financial resources are tied to the services delivered and we can tell how much it cost and how efficient we are in the delivery.

Managing for Results System

Planning for Results

A well-executed plan promotes a common understanding of the department's/agency's overall direction and purpose so that individuals/employees can readily determine how their work, actions and behaviors support the strategic direction and business success. In Planning for Results, current and future trends

are examined in terms of how they may affect the business, and strategic goals and operational results are developed to best manage anticipated challenges. Results are projected based on demand and internal capacity.

Budgeting for Results

Maricopa County is committed to developing a budget system that provides financial and performance information to help decision makers make good business decisions that achieve results. The County will use the operational structure developed in the Strategic Plan to structure financial planning and reporting for each Department. This ensures that the budget is driven by policy and customers' needs. Integrating Budgeting for Results with Strategic Planning is critical to creating an integrated management system where financial resources, policy, department operations and County staff are all aligned to achieve results.

Reporting Results

The County wants to be accountable to its residents by being able and willing to communicate what is and is not being achieved. The Strategic Plans, and the information generated by the Performance Measures, will make this possible. Information about results that are meaningful to residents will be in Department/Agency reports. The Activity Alignment Worksheet depicts the information that will be submitted annually with measures updated quarterly.

Maricopa County – Managing for Results
Strategic Planning Results

_____Department_____ Date_____
Number   Name

ALIGNMENT WORKSHEET BY ACTIVITY	
Strategic Plan Element	**Results**
Maricopa County Mission	*Citizens serving citizens by working collaboratively, efficiently and innovatively. We will be responsible for our customers while being fiscally prudent.*
Maricopa County Vision	*To provide regional public services, seeking excellence in the most fiscally responsible manner.*
Department Vision	
Department Mission	
Department Strategic Goals	
Program	
Program Purpose Statement	
Program Outcome (Key Activity Results)	
Activity	
Activity Purpose Statement	
Services that Comprise the Activity	
Activity Performance Measures (Measure & Target)	Results: Outputs: Demand: Efficiency:
Responsible Employee	
Budget (Input)	To be added in the future

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Evaluating Results

The integrity of the process and the information produced by the planning and budgeting systems are critical to the County's efforts in Managing for Results and to sustaining public support. The County is committed to building a system founded on accurate information.

Additional accountability and credibility is achieved by involving the Internal Audit Office in performance audits of Programs and Activities managed by Departments/Agencies. This involvement will speed the learning process and help Departments make adjustments accordingly.

One of the most powerful tools available to high performing organizations is the employee Performance Management System. Maricopa County uses this system to make it possible for employees to see how they contribute at the operational, departmental, and corporate levels. Performance Measures for Activities will be used to develop the performance standards for individual employees.

Accountability and credibility are motivators for Departments and Agencies to survey customers to identify whether their needs are being met. This endeavor has become a part of the County's management ethic and will continue to be expanded and enhanced in the future.

Decision Making

The County is committed to planning ahead to make the best business decisions possible concerning future use of its resources. This means making decisions that produce results that make a difference in people's lives and give taxpayers value for their money.

In order to make the best business decisions, citizens and County government need the highest quality of performance information available. The County's Resource Guide for Strategic Planning provides standardization for all departments and agencies to use in developing performance information that is clear and consistent for decision-makers and the public. Department Strategic Plans will provide the essential information for making policy and budget decisions that produce a high return on taxpayer dollars.

Strategic Alignment of Results
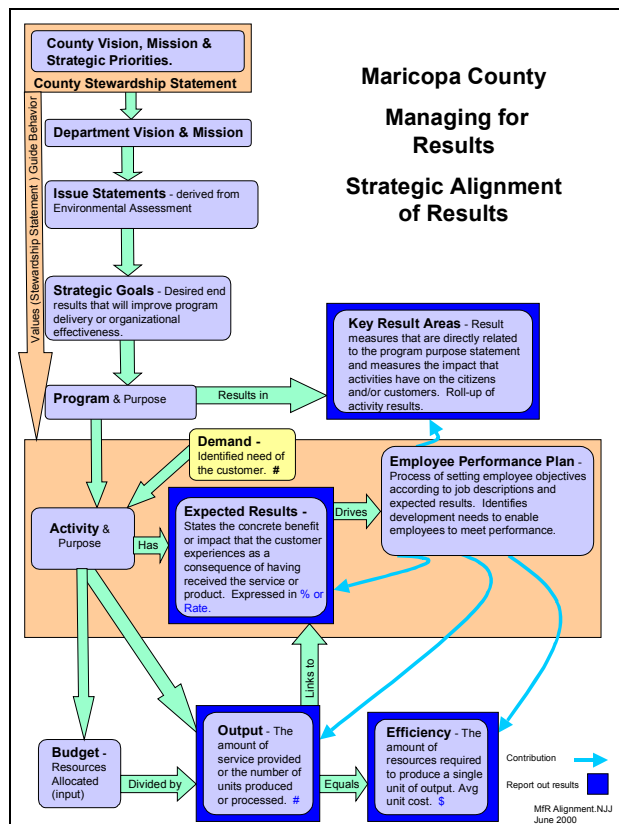
In Managing for Results Strategic Plan includes three strategic elements, with a fourth one, the Vision Statement being optional.

- Environmental Assessment & Issue Statements--reviews emerging issues and trends that will impact the Department and its customers over the next two to five years, and summarizes those into concise statements called Issue Statements.
- Mission Statement--a statement of purpose for the entire Department.
- Strategic Goals--represent the other strategic element and are defined as measurable results achieved for the community over the next two to five years.
- (Optional): Vision Statement--describes what the future would look like if the Department achieved its Strategic Goals and fulfilled its Mission.

Operationally, the Strategic Plan organizes how the Department/Agency will deliver results into three levels:

- Services - are the deliverables or products that the customer receives. Services are described as nouns, not verbs, thus defining services in terms of what the customer gets rather than in terms of what the department does.
- Activities – A set of Services grouped together around a common purpose or result. Performance Measures are developed at this level. A Family of Measures is developed for each Activity. Performance Measures for employees are derived from these measures.

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- Programs - are defined as a set of Activities that have a common purpose or result. Key result measures for operations and performance for strategic decision making reside at the Program level.

These elements, or levels of operations, are defined by grouping Services by common purpose and desired result into Activities, and Activities are grouped by common purpose and desired result into Programs. Defining these three levels of operations in this way makes it possible to demonstrate how each level of operations contributes to results at the next higher level, creating an aligned organization.

Activities and Programs have a Purpose Statement that readily identifies the customer and the intended results or impact for that customer. Therefore, managers are able to make day-to-day decisions about resource allocation and service improvements in ways that align with the next higher level of results, as well as align with the Department's/Agency's Mission and Goals.

A family of Performance Measures is developed at the Activity level. These include outcomes (results), outputs, demand and efficiency measures. Performance Measures generate information managers need to make day-to-day decisions and provide information to policy makers as they make resource and policy decisions.

Strategic Plans organize how Departments/Agencies will tell their stories of challenges and achievements. The Plan also provides a way to tell stakeholders what the Department/Agency will be accountable for achieving.

Strategic Plans provide the capacity for linking individual employee performance to their department's/agency's performance through the Employee Performance Management System.

Performance Management Cycle
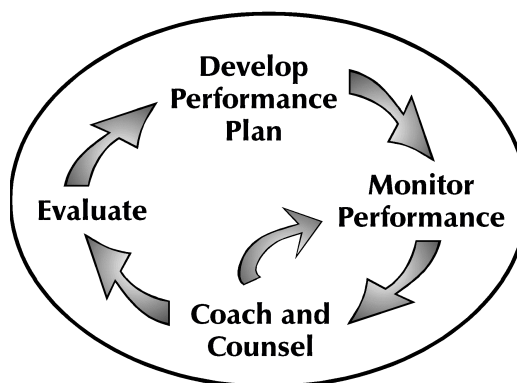
Planning and Implementing

- The Managing for Results system challenges the ability to manage many tasks and functions simultaneously across multi fiscal years. The following graph depicts the different elements applicable to different fiscal years that are happening concurrently.

MARICOPA COUNTY
MANAGING FOR RESULTS
Successive annual planning and budgeting cycles

Planning for Results - Mission, Issue Statements, Strategic Goals, Operational Results, Family of Measures per activity & Employee Performance Plans.
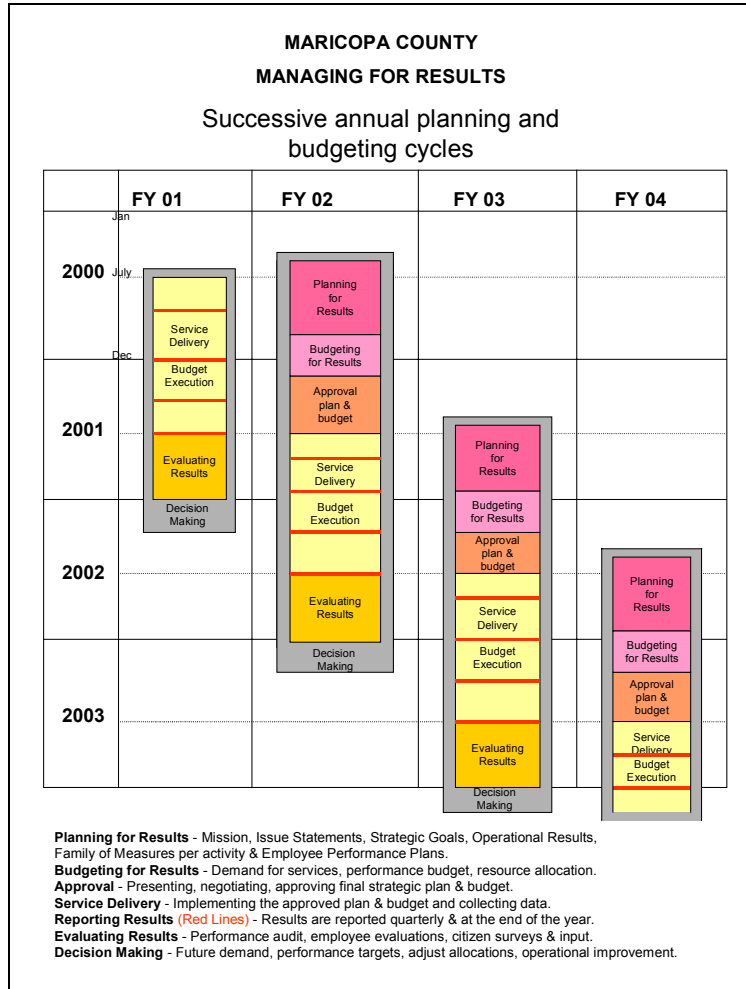**Budgeting for Results** - Demand for services, performance budget, resource allocation.
Approval - Presenting, negotiating, approving final strategic plan & budget.
Service Delivery - Implementing the approved plan & budget and collecting data.
Reporting Results (Red Lines) - Results are reported quarterly & at the end of the year.
Evaluating Results - Performance audit, employee evaluations, citizen surveys & input.
Decision Making - Future demand, performance targets, adjust allocations, operational improvement.

For example if we look at July 1, 2001 and follow it across the graph we would see:

- that we just completed FY01 service deliver budget execution and that a 4th quarter review is due as we begin to evaluate the results,

- but at the same time we have begun FY 02 service delivery and budget execution

- also are in the beginning stages of planning for FY 03, and

- decision making may be happening in all three fiscal years, building on what we know, what we are learning and how we might improve our operations and processes.

Maricopa County tells its story

Every department and agency is held to the same high standards and expectations. This is demonstrated through the County's Strategic Fitness program. All departments and agencies receive the Strategic Fitness Criteria and Expectations. Each has the responsibility to assign and develop a staff member to be its Strategic Coordinator. Strategic Coordinators have the responsibility to coordinate the Managing for Results system. The annual report and quarterly updates of each department/agency are then added to the Strategic Fitness Report Card. The Report Card is on-line to share with other departments and agencies, County Leadership, and its customers.

Strategic Fitness Criteria and Expectations

Strategic Plan

Element	Criteria
Values	Describes concepts, attitudes and beliefs. Provides direction for behavior.
Vision (Optional)	Statement of what the future would look like if the department achieved its Strategic Goals and fulfilled its Mission.
	Inspires action.
Mission	Describes the business.
	Customers are identified.
	Includes community impact.
Issue Statements	Summarizes the issues and trends that will have a major impact on the department.
Goals	Describes responses to issue statement.
	Describes a measurable result expected to be achieved in the next 2 - 5 years.
	Describes a result that will be achieve through 1 or more programs.
	No more than 1 goal focused on building internal capacity.
Strategic	Basis for evaluating department as a whole.
Operational	Family of Measures derived from Activity Purpose statement.
Results	Activities and Family of Measures drive the development of Employee Performance Plans.
	Describes benefit to the customer.

Performance-Based Budgeting

Element	Criteria
Financial Structure	Operational levels identified and aligned with proposed accounting string.
Budget	Detail budget presented at activity level (FY 2003).
	Administrative costs identified according to County plan.
	Demand for Activities identified with a plan to manage the resources.

Program Structure

Element	Criteria
Programs	Identified.
	Purpose statement.
Activities	Identified.
	Purpose statement.
	Family of measures included.
Services	Inventoried for entire Department.
	Expressed as nouns.

Performance Measures

Element	Criteria
Results (per activity) **& Key Results** (per program)	Indicator reflects customer benefit or impact on the customer.
	i.e. County Customer Satisfaction Survey.
	Expressed as a % or rate.
Demand Products & Services.	Expected service needs identified.
	Expressed as a #.
Outputs Workload Indicators	Amount of service.
	# units produced or processed.
Efficiency	Inputs ÷ Outputs.
	Expressed as $ per.
Inputs (Budget) Resources Consumed	FTE's & Financial.
Benchmarks	Comparisons to prior year/quarter.
	Comparisons to similar operations (future).
Data Considerations (Performance Audit will verify)	Collection methods described.
	Analysis methods described.
	Graphical display format stated.
	Target audience(s) identified.
	Value to audience(s) described.

Performance Management

Element	Criteria
Training	All managers/supervisors have received training in M.C. Performance Management System.
Employee Plans	Aligned with strategic plan (Activity, Performance Measures).
	Developed in partnership (mgr & ee).
	Signed by employee and manager.
	Reviewed quarterly.
Employee Development Plan	Component of written ee performance plan.
	Describes specific action ee & mgr will take now.
	Tuition reimbursement was discussed & made available.
Ongoing Coaching	Provides support and reinforces positive performance.
	Uses corrective action plan when needed.
Annual Reviews	Formal reviews every 12 mths. Filed in employee personal file. Incentive for performance award.

Reporting and Decision Making

Element	Criteria
Reporting	Reports performance data on a quarterly basis.
	Tells a story of performance to the customer.
Decision Making	Managers use performance data to guide decision-making, celebrate success, improve operations.

July 2000.checklist.NJJ

Preparing for the Strategic Planning Retreat

Purpose

In order for the facilitator to do a good job of facilitating the Department's/Agency's development of the Strategic Plan, he or she much have a basic understanding of the Department/Agency.

The Director ascertains that information critical to managing and telling the Department's story is developed in the Strategic Plan.

Role Definitions and Actions

The Strategic Coordinator:
- Leadership in the process
- Implement and manage the strategies and process in the department/agency
- Maintain consistency between corporate County and multiple-levels of the department/agency
- Learn and teach others about the Managing for Results project, the policies, goals and results
- Prepare and attend to all logistics for the retreat
- The Strategic Coordinator may be the Facilitator

The Facilitator:
Become familiar with the Department's Strategic, organizational structure and culture. This is a two step process:
- Review written materials
- Interview the Department Director
- Lead/facilitate the retreat

The Director:
Make a list of the information needed from the Strategic Plan to manage the department/agency, and of information that will be required by other stakeholders.

Steps: Preparing for the Strategic Planning Retreat

1. Department/Agency Director develops the "Director's List" for information critical to managing the Department/Agency and information other stakeholders will need.
2. Facilitator obtains and studies written material about Department/Agency.
3. Facilitator interviews Department/Agency Director.
4. Department/Agency Director and Strategic Coordinator ensure that logistics are handled.
1. **Department/Agency Director develops the "Director's List"**

The Director's List is very straightforward and requires the Director to consider what information from the department/agency Strategic Plan is needed for themselves, County Leadership and the stakeholders. This is a way to begin with the end in mind.

This is a baseline of information against which to check the Plan as it is being developed. This ensures that essential information will be available from the Plan. This will also help prevent or reduce having to rework the Plan later after it is reviewed by County Leadership.

Things to consider:
- What kinds of information do I need to make day-to-day decisions?
- What information do I need to answer questions that are asked of me or my staff, by the Board of Supervisors, County Leadership and other stakeholders, on a regular basis?

2. Facilitator reviews written materials about Department/Agency.

First, prior to the retreat, the facilitator will gather written information from the Department that includes at least the following:
- Previous strategic or other planning documents
- Performance reports
- Quarterly or Annual Reports
- Organizational chart
- Department newsletters
- Audit Reports
- Budget requests for the past several years
- Citizen Satisfaction Survey results
- Employee Satisfaction Survey results

Tip: People will not expect the facilitator to have in-depth knowledge of the Department/Agency, but some working knowledge will go a long way to building credibility.

3. Facilitator interviews Department/Agency Director.

Prior to the retreat the facilitator will meet with the Department/Agency Director to learn more about the Department/Agency and to discuss what results the Director wants from the Strategic Planning process. Some suggested agenda items are:

- Questions and observations emerging from the review of materials
- Identify results Director wants from the Strategic Planning effort
- Facilitation styles and any specific strategies or techniques to avoid

- Specific problems expected in the retreat, including personalities or cultural resistances to take into consideration
- Roles of the inside and outside facilitators
- Leadership role of the director
- Confirm role of facilitator
- How expectations for participation will be communicated prior to Retreat
- Who will participate in the Retreat
- Decision making methods for the Retreat
- Communication strategies for the early stages of developing the Plan
- Agenda for the Pre-Retreat
- Logistics for Retreat
- Materials participants will need ahead of time and at the Retreat

After this meeting the Facilitator can add the Department's name and location of the Retreat, etc., to the Agenda Template. See Resource Guide Appendix A.

4. The Strategic Coordinator in conjunction with the Department Director will ensure that logistics are handled.
This includes:
- Identifying Retreat Participants
  - Attendance should be limited to 10-15 participants if possible
  - Participants should be selected so that 100% of department's business is represented

- Scheduling Retreat components & securing location for all Retreat days
  - ½ day orientation session
  - 4-5 days of Retreat – 2 days on front end, 1-2 days of interim review, 1 final day after interim steps are complete (usually 4-6 weeks after initial 2 days of Retreat)

- Food & Beverages if desired

Next steps: Finalize the Agendas and start the Retreat.

Strategic Planning Retreat Agenda

Strategic Planning - Managing for Results

PRE-RETREAT EXPECTATIONS:
- Departments consult with key customers to determine what information they will require from its Strategic Plan. This information will distributed to staff before the Retreat and will be kept in mind throughout the process.

A. 1st Half Day – Orientation

- Opening and Introductions

- Overview of Managing for Results in Maricopa County
  - ➢ Accomplishments
  - ➢ Integrated Management System
  - ➢ Why Managing for Results

- Overview of Department Strategic Planning

- Implementation Timeline

- Change Management Strategies

1. Retreat participants will understand Maricopa County's Managing for Results System
2. Retreat participants will understand Maricopa County's Strategic Planning Process

B. 2nd Half Day - Expectations and Environmental Assessment

Director's Welcome, Expectations and Agenda Review

➢ Sharing Expectations
Everyone, including the Director, will have an opportunity to say what result they want from the strategic planning process.

➢ Where We've Been
Review prior strategic planning efforts.

➢ Review Strategic Planning Retreat Agenda

➢ Developing the Strategic Portion of the Plan

➢ Environmental Assessment and Issue Statements

➤Environmental Assessment Defined: An Assessment of the Future is an analysis and articulation of the major change dynamics that are likely to influence how a Department achieves its Mission and Strategic Goals. The Assessment of the Future is based on common sense, data and information that describe changes anticipated both from inside and outside the department over the upcoming two to five year period.

➤External Assessment – Issues and Trends, including a review of customer survey responses

➤Internal Assessment – Issues and Trends

➤Issue Statements – Major trends and the impact they will have on the department over the next 2-5 years.

Desired Result of 2nd Half Day:

> We will know the major trends and issues that the department/agency will face over the next 2-5 years and understand the impact they will have on the department/agency and its customers.

C. 3rd Half Day – Managing for Results Overview/Develop Strategic Goals, Mission, and Vision (optional)

- Optional:
Brief Overview of Managing for Results in Maricopa County (Use as needed, if Orientation session was conducted two weeks or more prior to Retreat.)
This will focus on an overview of Strategic Planning as a part of Managing for Results. This will emphasize that the Strategic Planning effort is a County-wide initiative, and that it is part of an integrated management system.

- Strategic Goals.

➤Strategic Goals defined: Strategic Goals translate resources into significant results to be achieved over the next 2-5 years, providing the basis for evaluating the department as a whole.

➤The Director and Retreat participants will develop a small set of results-oriented, measurable Strategic Goals for the department. Each Strategic Goal will be checked back against the Issue Statements to see if achieving each particular Strategic Goal will help the department influence or stay out in front of one or more of the Issue Statements.

- Mission Statements

➢Mission Statement defined: The department's Mission is a clear, concise statement of purpose for the entire department. The Mission focuses on the broad, yet distinct, results the department will achieve for its customers.

➢Review current Mission will be reviewed. Use the Managing for Results template and definitions in the *Resource Guide* to develop a new Mission.

- Vision Statement (optional)

➢Vision Statement defined: The Vision describes what the future would look like if the department achieved its Strategic Goals and fulfilled its Mission.

- Values

Desired Result of 3rd Half Day:

Strategic Goals, Mission and Vision (optional) developed.

D. 4th Half Day – Services, Inventory and Delineation of Activities

- Complete and Confirm Strategic Goals, Mission, Vision , as needed

- Inventory Services

➢Services Defined: Services are defined as the deliverable or product that the customer receives. Services are described as nouns, not verbs, thus defining services in terms of what the customer gets rather than in terms of what the department does.

➢Inventory all services, using a facilitated team process.

- Group Services into Activities

➢Activities Defined: Activities are defined as a set of Services which have a common purpose or result.

Desired Result of 4th Half Day:

1. Inventory of Services completed.
2. Services grouped by common purpose into Activities.

E. 5th Half Day –Purpose Statements and Family Measures

- Teach: Development of Purpose Statements

➢Purpose Statements Defined: Purpose Statements are clear, concise, and results oriented statements that bring together the name, the service or product provided, the customer and the intended benefit for the customer.

- Teach: Development of the Family of Measures

➢Performance Measures Defined: Performance Measures describe the information managers and other decision-makers need in order to make good business decisions. Maricopa County uses a Family of Measures that include results, outputs, demand, and efficiency

- Practice: Purpose Statements and the Family of Measures

➢Develop at least one high quality example of delineating an Activity.

➢With example Activity, check for alignment against Strategic Goals and Mission

➢Create complete 2nd example, as time permits.

- Review Expectations for Interim Sessions

Desired Result of 5th Half Day:

1. Retreat participants understand how to develop Purpose Statements and are able to lead staff working in each Activity in the development of an Activity Purpose Statement.
2. Retreat participants understand the Family of Measures and are working in each Activity in the development of the Family of Measures.

F. Interim Steps

- Retreat participants conduct participative team sessions with staff who work within each Activity

➢Review work by Retreat team

➢Collaboratively develop Purpose Statements

➢Collaboratively develop Family of Measures

- Retreat participants, and other staff as desired, present completed draft of Activity Alignment Worksheet to Interim Review Team

➢Present draft and receive feedback

➢Determine needed revisions

➢Retreat participant completes final draft of Activity Alignment Worksheet

G. 6th Half Day - Review of Purpose Statements & Family of Measures for each Activity

- Managers' overview

- Presentation and Comments

Desired Results of 6th Half Day

1. Purpose Statements completed for every Activity
2. A Family of Measures completed for every Activity

H. 7th Half Day- Delineating Programs and Next Steps

- **Delineating Programs**

➢**Programs Defined: Programs are defined as a set of Activities that have a common purpose or result.**

➢**Group Activities into Programs**

➢**Develop Purpose Statements for Programs**

➢**Identify Key Results Measures for Programs**

- **Planning Next Steps**

➢Discuss next steps and production of the Strategic Plan.

➢Inventory the skills needed by staff to successfully implement the Plan.

➢Develop Change Management & Communication Strategies for the Plan.

Discuss how the department will use the Plan.

Desired Result 5th - 7th Half Day:

1. Strategic Plan completed
2. Change Management and Communication strategies are developed

Conducting Pre-Retreat Managing for Results Orientations

Purpose

The Orientation Session is to create a common understanding among the Department's/Agency's managers regarding the County's approach to Managing for Results and Strategic Planning in particular. Managers can understand their leadership role in developing the Strategic Plan, what they can expect to get out of the effort, and how the County intends to use the Strategic Plans to manage and tell the story of challenges and accomplishments.

Steps

The Orientation must be provided to the Retreat participants. The Orientation may also include a larger group that would include those managers who will be responsible for working with staff to develop the Program Purpose Statements and Performance Measures during the Interim.

The Orientation session will last one half day and should immediately precede the Retreat.

Annotated Agenda for the Orientation session:

Opening and Introductions
This is an opportunity for leadership from the CAO, OMB and the Department Director to provide their perspective on Managing for Results, where they expect the effort to take the County/Department, and express their commitment to the effort.

Overview of Managing for Results in Maricopa County
The Facilitator or Director will use the graphic presentation (Managing for Results Cycle) developed by the OMB to provide the Overview.

Overview of Department/Agency Strategic Planning
If the larger group of managers attends the Orientation session, special attention should be given to their role in the development of Program Purpose Statements and Performance Measures during the Interim Period. Resources available to provide this overview include the following graphics:
- Managing for Results Strategic Alignment of Results

- Managing for Results Cycle

- Managing for Results Alignment Worksheet by Activity

Accomplishments

This is an opportunity to review what the County has done thus far to Manage for Results. Following are some talking points to be covered.

- **Managing for Results Department Scorecard—**This tool, and the accompanying explanatory materials, is comprehensive, unifying concepts and tools, and is useful for both baseline and comparative evaluation, appropriate to needs of executives and policy makers.

- **Model "T" Planning Tool-** Clarifies relationship between externally and internally focused goals, and ensures that both are considered in a balanced manner.

- **Program Purpose Statements**- Uses Weidner Consulting's "Managing for Results Template" to clarify why a program exists in terms of the results that are produced for customers.

- **Timeline for Implementation-** Represents milestones in terms of outcomes, provides good descriptions of these events.

- **Visual Representations-** Overall, constitutes an excellent use of graphs and visuals, wherever possible, to explain concepts and sequencing, which is very useful to adult learners, and to managers and decision-makers who have little time to digest narrative explanations.

- **Base Budget Narrative Policies and Procedures-** Provides a concise and readable summary of expectations, and with use of the "Future" box feature, helps create user understanding that "change is inevitable: and prepares them for what is likely on the horizon.

- **Definitions of Family of Measures and Common Definitions**-Provides a glossary for users that also enhances expectations for consistency

- **Performance Management -** Conceptually, the County's employee performance management system is well-designed to work with the planning, budgeting, monitoring and reporting components of Managing for Results.

Why Managing for Results

Maricopa County has committed to Managing for Results for the following reasons:

- Good Management Practice
  - Provides the right information to make good decisions
  - Aligns every employee to organizational success

- Gives us a story to tell our customers

- Let's us compare services, costs and results with our peers and our competitors

Implementation Timeline

The best resource for introducing the timeline is the Managing for Results Budget Cycle

Change Management Strategies

The County has incorporated into the Managing for Results effort a focus on change management, which translates into strategies for supporting the people who work in County government who will make it work.

The County has made these significant commitments to Change Management:

- The development of the Resource Guide to provide a reference source for all departments/agencies to use when developing their Strategic Plan.

- Training for all Strategic Coordinators on Managing for Results and how to develop a Strategic Plan using the County's approach.

- Training for Department/Agency Directors

- Training for OMB Analysts

- Training for Mid-Level Managers

- Training for Budget and HR Liaisons

- Development of a Strategic Plan in the County Administrator's Office and OMB

- Change Management Retreat - In June 2000, OMB convened a group of senior staff representing the Pilot agencies and other to consider the Change Management strategies needed to succeed in involving and supporting County staff in Managing for Results.

- Incorporation of Managing for Results in the Maricopa County training programs – MCMI, etc

Director's Welcome, Expectations, & Agenda Review

Purpose
This step allows the Director to welcome participants and sets the tone for the Retreat. It includes an agenda review, clarification of roles, and development of expected results.

Retreat participants team with colleagues to develop their Department's Strategic Plan. Team members will agree to work together to develop a Strategic Plan that creates excitement and commitment.

Steps: Director's Welcome, Expectations, & Agenda Review

1. **Welcome: Director**
2. **Participant Introductions and Expectations**
3. **Retreat Agenda Review**
4. **Identify Desired Retreat Results**
5. **Roles and Responsibilities: Participants**
6. **Roles and Responsibilities: Facilitators**
7. **Retreat Ground Rules**
8. **Review Prior Planning Efforts**

Step 1. Welcome: Director

Possible speaking points:

Why he or she is personally committed to Managing for Results

What opportunities for Department to "tell their story" now exist

Personal expectations for participants

Personal expectations of Retreat

Step 2. Participant Introductions and Expectations

Maricopa County has established expected outcomes, both in terms of the product and process, for Strategic Planning Retreats.

First, it is important to identify what each participant expects from the Retreat. This provides a way to "begin with the end in mind" and can be referenced, as needed, throughout the Retreat.

Ask each participant:

- What is the most important thing, stated as a result, that you want to see come out of this process?

Facilitator Note:
- Record each response on a flipchart and post for later reference

- Participants introduce themselves and state their expected result.

Step 3: Agenda Review

- Review Retreat Agenda
- Emphasize that each half-day of the Retreat has specific expected results. Overall, this is a very "product" orientated agenda.
- Ask participant if they have any questions.
- Point out that the Strategic Planning process calls for the completion of the "Activity Alignment Worksheet" one for every Activity and at the conclusion of the Retreat, the compilation of these worksheets will constitute the body of the Department's/Agency's Strategic Plan.

Step 4: Identify Desired Results for the Strategic portion of the Strategic Plan.

- Review and discuss the following expected results:

- A Department Strategic Plan, containing the following elements:
  - Issue Statement
  - Strategic Goals
  - Mission
  - Vision (optional)

- A useful Strategic Plan by which good management decisions and improved performance

- A useful Strategic Plan that demonstrates results and "tells our story," of challenges and accomplishments to external stakeholders:
  - Board of Supervisors
  - Public
  - County Leadership

- Meeting the Director's expected results for the Strategic Planning process

- A shared sense of direction and commitment to action on the part of all Retreat participants developed through a participative and collaborative process.

Step 5: Roles and Responsibilities: Facilitators

Retreats will often be co-facilitated by a facilitator from outside the Department and an internal facilitator. Review and discuss the following role responsibilities for facilitators, both internal or external. Facilitators will:

- Provide leadership and structure for the Retreats.

- Manage the process of developing the Strategic Plan

- Facilitate discussion, collaboration, and consensus-decision making

- Ensure that the County's Strategic planning process is followed as intended, and that tasks are completed

- Provide consultation to staff, as needed, outside of Retreat sessions

Step 6: Roles and Responsibilities: Participants

- Review and discuss: A team is "a small number of people with complementary skills who are committed to a common purpose, a common set of performance goals, and a common approach for which they hold themselves mutually accountable."

- Post and/or discuss the following expectations, as needed:

  - Participate in a business-like, product orientated manner

  - Commit to attending all scheduled Retreat sessions

  - Come prepared: agreed-upon pre-work and other action items completed and ready to be presented

  - Be willing to contribute your talents, skills, and knowledge in a collaborative process

  - Be willing to assist in the facilitation of the planning process as scribe, recorder, timekeeper, etc., as needed

  - Use the Resource Guide to organize your thinking, and to help the planning team stay on track

  - Adhere to any other Ground Rules agreed to by the planning team

Step 7: Retreat Ground Rules

- Review and discuss the following Ground Rules, as needed, or develop team specific Ground Rules.

- Questions to ask when establishing Ground Rules

  - How do we need to interact with each other?
  - How will we give feedback about each other's ideas?
  - What method will we use to make decisions?
  - How will we handle disagreements?
  - How will we handle unresolved issues?
  - How will we assign other roles—scribe, timekeeper, recorder, etc.

Step 8. Acknowledge Prior Planning Efforts

Next Steps:

Now that Retreat participants are clear about roles, responsibilities, and expected results they can proceed with an overview of the strategic portion of the plan.

Overview: Developing the Strategic Portion of the Plan

The Strategic Plan should contain the following elements, developed through a facilitated process during the first one to one-and-a-half days of the Retreat.

- **Issue Statement** (Derived from Environmental Assessment)
  - ➤ Review of emerging issues and trends that will impact the Department and its customers over the next two to five years
  - ➤ Summarization of issues into a few concise statements called "Strategic Issues"—identifies the critical issues that must be addressed and the impact on the department

- **Strategic Goals**
  - ➤ Identifies the measurable results that the Department must accomplish over the next two to five years in order to address the Issue Statements.
  - ➤ Represents significant effort—not business as usual
  - ➤ Expressed in concrete and measurable terms, and may or may not have performance targets expressed

- **Mission Statement**
  - ➤ Clear, concise statement of purpose for the Department
  - ➤ Uses the Managing for Results template
  - ➤ Avoids bureaucratic language
  - ➤ May review existing Mission and confirm it

- **Vision Statement (Optional)**
  - ➤ Long-term description of what the community would look like if the organization fulfilled its Mission and produced all the results articulated in its Strategic Goals

- **Values**
  - ➤ Expression of the core values and operating principles of the conduct of a Department/Agency in carrying out its mission.

Environmental Assessment

Purpose
Departments must perceive and anticipate what is ahead for their customers and their employees to effectively influence the future. The Environmental Assessment provides that information and perspective and gives context for the development of Strategic Goals, the Mission, Programs and Activities that will focus resources on desired results.

An Environmental Assessment analyzes and articulates the issues and trends that will have a major impact on the Department and its customers over the next two to five years. The Environmental Assessment is based on data, information and common sense that describes changes anticipated from inside and outside the department over the coming two to five year period.

Steps: Environmental Assessment

1. **Review existing performance information**

2. **Ask Probe Questions for Internal Assessment**

3. **Ask Probe Questions for External Assessment**

4. **Synthesize trends to develop Issue Statements.**

5. **Check Issue Statements against key criteria**

Step 1. Review existing performance information
- Identify emerging issues and trends that will have a major impact on the Department and its customers over the next two to five years.
- Identify both internal and external issues and trends.

Step 2. Ask Probing Questions for Internal Assessment
- What do previous assessments conducted by the Department tell us about issues and trends internal to the department?
- Which issues and trends previously identified are relevant today?
- How has the Department performed in achieving Results measures?
- What does that tell us about what will need to be done differently in future?
- What do we know about our work force? How it will change or need to change in the future?
- What technology challenges will we face?
- Is the organizational culture focusing its beliefs, behaviors and language on managing for results? What challenges do we face in getting there?

- Do we know who the customers are and how their needs will change in the future?
- What do customer satisfaction surveys tell us about how our performance is perceived and valued?
- What do employee satisfaction surveys tell us about how our performance is perceived and valued?
- Is the Department's organizational structure designed to achieve results?
- What are the strengths and limitations of the Department?
- What are the opportunities for positive internal change?
- What do others in our business (trade journals, conferences, etc.) tell us that may have implications for the Department?
- What are the biggest internal problems facing the Department in the future?
- What does the staff see changing inside the Department that could have a major impact on the department's ability to achieve its Mission?

Step 3. Ask Probing Questions for External Assessment

- Departments are strongly encouraged to develop and use customer surveys to determine what customers want and if their needs are being met. This information is an important part of the Environmental Assessment. Contact the Department of Research and Reporting for further information or assistance.

- Retreat participants should review the Maricopa County Administrative Officer's "FY 2000-01 Goals and Performance Plan" issued in June 2000 as part of the External Assessment.
- Ask Probing Questions:
  - What do past assessments conducted by the Department tell us about issues and trends external to the department? Are the issues and trends previously identified relevant today?
  - What are our customers telling us, based upon survey and/or focus group data?
  - Is the Department in a competitive market place?
  - Are there other organizations that can do what the Department does? Do they or will they want the business?
  - In what ways are the Department's customers changing? What implications do those changes have for the Department?
  - How does the Department's performance match up to its peers in other cities who are in the same business?
  - What do annual reports tell about external dynamics?
  - What is happening in the business, statewide and nationally, that will affect the Department? What can be learned from these changes?

- What does the information and data tell us about emerging issues and trends (at local, state or national levels) that will effect the Department's business in key issue areas such as:

  - Demographics and Population
  - Economy
  - Work Force
  - Politics
  - State and Federal Government Funding and Regulation
  - Technology
  - Traffic
  - Recreation
  - Environment

- Departments are encouraged to use high quality data available on the Internet, which is applicable to Maricopa County and describes trends and emerging issues that will have a major impact on the Department and its customers. The following are considered good sources:

- http://www.ci.phoenix.az.us/NEWSREL/topcity.html

- http://www.maxwell.syr.edu/gpp/

- http://www.governing.com/

- http://www.naco.org/pubs/research/issues/perf_tool.cfm

- http://www.naco.org/links/perform.cfm

- http://icma.org/go.cfm?cid=1&gid=3&sid=101&did=108

- http://www.gasb.org/

- http://www.rutgers.edu/Accounting/raw/seagov/pmg/helpgasb/index.html

- http://www.maricopa.gov/budget/budget_docs.asp

- http://www.maricopa.gov/planning/compln/COMPLAN.asp.htm

Step 4. Synthesize trends to develop Issue Statements.

- Number all of the issues and trends identified

- Ask each Retreat participant to identify the "theme" most important to him or her (i.e. workforce, technology, demographics, etc.).

- Ask participants to write a one sentence Issue Statement that summarizes the issue or trend and summarizes the impact on the Department or its customers. Give them 15 minutes or so to do this.

- Start the discussion by asking someone to share their Issue Statement. Write it on a flipchart page in the front of the room.

- Ask if anyone else worked on the same issue. Engage those who worked on it, as well as the other participants, in articulating the Issue Statement. Continue to the point where there is consensus on the issue and impact.

- Continue this process until all "major" Issue Statements are completed. There should be no more than 8-10 Issue Statements.

Tips

An Issue Statement describes what will impact the Department significantly over the next two - five years.

Writing the Issue Statements requires a review of the relationship between the internal and external issues and trends, and then synthesizing that information into concise statements of impact. The following steps are helpful in summarizing impacts:

1. Determine if any of the issues or trends from the two lists is essentially the same and constitute a major trend affecting the Department/Agency.

   The external trend of an aging and increasingly well-educated population is also reflected in an aging and increasingly well-educated Departmental /Agency work force, which will challenge the Department's ability to sustain a qualified workforce over the next five years.

2. Determine if any of the issues and trends from the two lists matches up as driving and restraining forces. An example of a major Issue Statement that emerged this way is as follows:

   The internal need for a better-educated work force is matched by a high dropout rate at the local high school that will challenge the Department's /Agency's ability to sustain a qualified workforce over the next five years.

3. Using issues and trends from both the internal and external lists, create a small number of major Issue Statements that best communicate those things that will have a significant influence on the Department's ability to achieve its goals and fulfill its mission over the next 2-5 years.

4. Issue Statements contain two parts:
   - description of the major issue or trend
   - description of its impact on the Department/Agency

More Tips and Traps

- Have faith—though time-consuming, this process works, and you will succeed.
- Once aware of these challenges, a strong tendency exists to express Issue Statements in terms of what must be done—i.e. action statements. Remember, these are statements of what is or what will be the expected impact, etc. The development of Goals—that is where the team will commit to action is next.
- Sometimes there is a tendency to write Issue Statements as a statement of need. Avoid this and instead work to state the issue or trend as a fact, not a need.

Step 5. Check Issue Statements against key criteria
- Do the Issue Statements incorporate both internal and external emerging issues and trends?
- Have any important trends been omitted?
- Are the Issue Statements clearly stated so that managers can easily talk about them with employees?
- Are the Issue Statements statements of fact and expected impact, rather than action statements or recommendations?
- Are the Issue Statements based upon good data, or on the sound professional judgement of staff?
- Are the Issue Statements clearly stated, i.e. without jargon, so that the public can understand them?
- Are there no more than six to eight statements, so that they can be easily communicated?

Next Steps: Developing Strategic Goals

With the Issue Statements in mind, the next step for the planning team is to determine how the Department will meet these challenges.

Developing Strategic Goals

Purpose

Strategic Goals state significant results to be achieved over the next two to five years. They express, in terms of results, what the Department <u>must</u> do in order to proactively respond to the major issues facing the Department/Agency as expressed in the Issue Statement.

Strategic Goals are:

- Results-oriented and long term (2-5 years)
- Descriptive and specific
- Focused on the customer or on improving the Department
- Represent future achievements that transcend or go beyond current practice and the status quo
- Developed through a participatory process
- Specific, achievable results
- Accomplished through Activities and Programs
- Measurable directly, or indirectly, through Activities and Programs

Additionally, some Strategic Goals may also express a desired change in the Department's work environment.

Strategic Goals translate the Mission into the operations, performance and budget of the Department. Strategic Goals create the department's corporate identity and are critical in order to:

- Establish alignment between the strategic part of the Plan—Issue Statements and Mission—and the operational part of the Plan—Programs and Activities.
- Provide a results oriented basis for decision making at all levels
- Demonstrate accountability to elected officials, the public, and corporate decision-makers. Provides the basis for evaluating the department as a whole.

Steps: Developing Strategic Goals

Strategic Goals are focused both on the customer and on improving the Department, and should be descriptive enough to communicate clearly to external stakeholders what the Department wants to achieve.

1. Review Definition of Strategic Goals and criteria
2. Review the core Issue Statements and discuss how the department intends to address them in a proactive and anticipatory manner.

3. Based upon this analysis, write the Department's Strategic Goals.
4. Review goals written in previous Plans and determine if the issue addressed is still relevant and still a priority.
5. Check: Do the completed Strategic Goals satisfy the County's Checklist of Criteria?

Step 1: Review definition of Strategic Goals and criteria.

Strategic Goals, as the County has defined them in this process, depart from more typical definitions by their specificity, results-focus, and direct relationship to the Department's Issue Statements. So, it is important to ensure that all participants understand the County's definition of Strategic Goals.

Step 2. Review Issue Statements and discuss how the department intends to address them in a proactive and anticipatory manner.

Review the Issue Statements with the following questions in mind:

- Does the Department need to respond? How?
- What results would need to be achieved in order to influence the issues or trends in the right direction?
- How will these help us anticipate and influence change?

Step 3. Based upon this analysis, write the Department's Strategic Goals

- Each Retreat participant: Choose one issue or trend identified in an Issue Statement.
- Ask: Which of these issues do you most care about?
- Individually, participants draft a Strategic Goal that meets the criteria, and, if achieved, would influence the trend or issue in the right direction.
- One participant will share their draft Strategic Goal. Others who chose the same issue will be identified.
- All together Retreat Participants will discuss whether it should be a Strategic Goal or not.
- The Strategic Goal shall be finalized by consensus.

Tips for Writing Strategic Goals:

- <u>Write strategic goals so that they are departmental in scope.</u>

Strategic Goals that are departmental in scope serve to connect the results planned at the operational level to the strategic issues facing the department and to its Mission and Vision. In this manner, they contribute to the integrative nature of the plan, and create alignment between operations and more long-term organizational strategy.

- <u>Develop Strategic Goals in the context of strategic issues</u>.

  In this process, Strategic Goals are developed immediately following the development of Issue Statements. The process of synthesizing future trends and issues, internal and external to the Department/Agency, into a few, fairly powerful statements of impact, often creates new and shared awareness.

  Using the Issue Statements as the foundation, departments then develop descriptive, results-oriented Strategic Goals that clearly state what the Department/Agency must accomplish proactively to address those issues. This usually produces breakthrough thinking on the part of the Department/Agency.

- <u>Write Strategic Goals so that they lead to the development of operational elements that go beyond "business as usual."</u>

  These Strategic Goals, expressed as results, guide the development of the rest of the Strategic Plan. This is particularly true in terms of the delineation of Activities: it becomes evident that particular results are more important than others if the strategic goals are to be achieved. Activities can now be defined in such a manner as to ensure that those strategic results are created, in addition to day-to-day results that are less strategic or critical in nature.

- <u>Make Strategic Goals specific</u>.

  To be useful as drivers of new behavior and performance and to be meaningful to corporate decision-makers - Strategic Goals need to be expressed in specific, results-oriented terms, rather than in broad, general terms.

  Strategic Goals defined in this manner are not general statements of intent. They usually, though not always, will encompass more than one program, but they are still stated as specific results that are clear, descriptive, and measurable. Once achieved, they are evident to the outside observer.

- Describe the real intent of the Department/Agency—don't dilute with generalities.

  Departments/Agencies will often write general statements that are internally meaningful because they are developed within the context of meaningful discussions. However, these broad statements tend to dilute the department's/agency's true intentions regarding desired results, and mean little to corporate decision-makers and other external customers of the strategic plan. So they are not useful in helping the department/agency to "tell their story."

  It is difficult for organizations to refrain from using broad statements. This is true throughout the planning process. Helping departments to focus in on the essence of their organization and become truly clear about the discrete results that they produce is essential to managing for results.

- Examples:

  Original:

  "We will provide cost-effective clinical health services to our customers that are customer-centered and of the highest quality."

  Better

  (And reflective of what the department actually discussed in the context of their environmental scan and emerging strategic issues)

  > "By ____, 2002, we will reduce the cost per visit of clinical services to an amount equal to or less than the Medicare reimbursable rate, with no significant reduction in customer ratings of the quality of our service delivery system."

- Remember: Write Strategic Goals statements that are capable of being understood by decision-makers outside of the department. To check this, give completed Strategic Goals, without background information, to someone in this category, and ask:

  Reading this, what do you think the department is trying to achieve?

Step 4. Review Strategic Goals from previous Plans

NOTE: Following initial development of Strategic Goals, review Strategic Goals written in previous Plans. It is critical to refrain from developing Strategic Goals by first reviewing old goals. This will significantly hinder the

Department's/Agency's ability to consider emerging issues and trends in new ways and in terms of results to be achieved.

However, once the Strategic Goals are developed and agreed upon, it is then useful to review previous Goals. Determine whether any of these Strategic Goals are still relevant, in addition to the new Strategic Goals. If so, determine how they need be revised to adequately communicate the intended message and meet the following criteria:

Results Oriented
Describes Department's response to Issue Statements
Measurable, directly or indirectly though Programs
Aligned with the Mission of the Department
Accomplished through one or more of the Department's/Agencies Programs and/or Activities
Focused both on internal and external results
Describes a desired impact the Department intends to produce for its customers or the community

Step 5. Check: Do Strategic Goals Satisfy Key Criteria?

As a team, evaluate each Goal against the County's criteria:
Does the Goal express how the department/agency intends to respond to major issues and trends in a proactive manner? Is there a clear relationship between the Goal and one or more Issue statements?
Does the Goal reflect our priorities and direction?
Is the Goal results oriented, and focused on the future?
 Are the majority of the Goals focused on achieving the Department's/Agency's Mission for customers?
Are the Goals that focus on building internal capacity kept to a minimum (one or less)?
Does accomplishment of the Goal represent significant change and effort on the part of the department/agency?
Is the Goal measurable, directly or indirectly?
Is the Goal reasonably achieved through one or more Programs?
Taken together, do all the Goals provide a way to evaluate the Department as a whole?

Next Steps – Developing the Mission Statement

Now that Strategic Goals are clear, and the department can see how their achievement will influence the Issue Statements, planners can better articulate a results-oriented Mission.

Developing the Mission Statement

Purpose

The Department's Mission is a clear, concise statement of purpose for the entire Department. The Mission focuses on the broad, yet distinct, results the Department will achieve for its customers.

The formulation of the Mission answers the fundamental question: Why do we exist as an organization? In this sense, it can be considered the "heart" of an organization.

The Mission is the cornerstone of the Strategic Plan and provides the basis for aligning Goals; Programs; Activities and Services, and it provides the context for decision making at all levels in the organization.

The Department's Mission creates clarity and corporate identity for external stakeholders. The words and intent in the Mission communicate results and direction, and express the organization's commitment to public service.

Clarification of how the organization defines itself and the business promotes new ways of thinking about service delivery, partnerships, and other innovations.

For employees, the Mission provides a common sense of purpose and identity for all staff and every work unit. Employees can understand how their work matters to the success of the Department in the community.

Steps: Mission Statement

1. Consider the future direction of the Department and the Environmental Assessment.
2. Consider the existing Mission of the Department.
3. Formulate the Mission, using the Managing for Results Template.

1. Consider the future direction of the Department

In the development of the strategic plan, the Mission follows the completion of the Environmental Assessment and the formulation of key Issue Statements and Goals. Within this context, the Mission is developed.

Planning teams develop Mission Statements collaboratively using a facilitated process.

All Retreat participants must be able to understand and support the Mission Statement.

- Review and discuss the Environmental Assessment and Issue Statements.
- Consider who the Department's current and future customers might be
- Consider the services or products that might be provided over the next two to five years.

Review and discuss the Strategic Goals and be clear about the impact the Department intends to have on its customers and its future.

2. Review the existing Mission of the Department

Unlike the approach taken to develop Strategic Goals, Retreat participants should review the old Mission statement prior to developing the new or revised Mission statement.

Mission Statements should be succinct and results-oriented. Use the Managing for Results Template to check existing Mission Statements.

- Is it still relevant?
- Does it still communicate effectively and clearly the purpose and scope of the Department?
- Is it clear what services the Department provides?
- Is it clear who are the customers?
- Does it clearly state the results or benefits the customer receives?

3. Formulate the Mission

The Mission clarifies how the organization defines itself and its business.

Use the Managing for Results Template to formulate the Mission Statement.

Managing for Results Template

Department Mission Statement:

The Mission of the_____

is to provide/produce_____

to _____

so they can _____

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- Identify department name.
- Express "products or services" in a summary phrase, not as a listing of services. (Don't confuse with "benefits.")

- Identify the principal customer or customer group -- be as specific as possible.

- When completing the "Expected Benefit" line, watch for "circular" thinking— avoid statements that say that the Department provides something so that the customer can have it.

EXAMPLES

- The Mission of the Office of Economic Development is to provide business assistance and community and workforce development services to businesses, community organizations, and residents so that Seattle has a strong economy, thriving neighborhoods, and broadly shared prosperity.

- The Mission of the County Department of Job and Family Services is to provide career development opportunities and support services to the residents of our community so they can thrive and prosper.

- The Mission of the Purchasing Department is to provide purchasing, printing and mail services and products to agencies so they can have the goods and services they need to operate in a timely and cost effective manner.

- The Mission of the Human Resources Department is to provide human resource systems and solutions to County departments so that they are appropriately resourced and achieve their business results.

More Tips:

- When brainstorming, do not evaluate others' ideas

- Use 2 flip charts—one to capture ideas, words and phrases, the other to "fill in the blanks", as consensus begins to emerge.

- Strive to create a Mission that is neither too broad nor too narrow in scope. A Mission that is too broad will likely be too general to be meaningful. One that is too narrow will limit the organization's ability to meet emerging, competitive demands. Both fail to communicate effectively internal or external customers.

- Write the finalized Mission Statement on a flip chart page and post in a prominent location. Before closing the discussion, be sure that every participant can endorse the Mission Statement.

Vision (Optional)

Use only if your department has determined this element is essential to your plan. The reason you would not right a Vision statement is that it can be redundant with Strategic Goals or of the County's Vision. Complete the following or continue on to the operational portion of the plan.

Definition
A Vision describes what the future would look like if the Department achieved its Strategic Goals and fulfilled its Mission. A good Vision statement is one that will inspire and challenge, and also be meaningful so employees will be able to relate their job to the Vision.

Why Develop a Vision Statement
Creating a Vision that is built on knowledge of the opportunities and challenges ahead allow a Department to influence the future. The Vision provides direction and contributes to a Department's identity and uniqueness. It inspires action that leads to achieving results. Given the environment and impact of the issues facing the Department today, the Vision statement represents how the future should look.

Linkage to Operations, Performance and the Budget
The County does not require the development of Vision statements. However, if Departments have a Vision or believe the presence of a Vision enhances their ability to manage for results, Departments may exercise the option of including a Vision statement in their Strategic Plan.

Vision statements are useful when they are meaningfully linked to operations, performance and budget. The best way to ensure that this linkage is made is to develop the Vision statement after all of the other strategic elements of the Strategic Plan have been developed. This method ensures that the Vision is built on the Mission and Strategic Goals and therefore the operations, performance and budget of the Department. This methodology is intended to significantly shorten the time and lessen the difficulty in developing a Vision.

Collaboration
Departments are encouraged to develop the Vision through a participatory process.

Developing a Vision: Essential Steps
1. Review the Environmental Assessment to ensure familiarity with the Issue Statements that will significantly impact the future.
2. Review the Mission statement to be clear about the Department's purpose.
3. Review the Strategic Goals to ensure that the Vision is tied to the Department's operations.

4. Briefly describe the future state in terms of circumstances the Department can influence.

Questions that can be used developing a Vision statement:
1) What are the Department's priorities as represented in the Strategic Goals?

2) What would the future look like if the Strategic Goals were achieved and the Mission fulfilled?
3) What are the Department's greatest opportunities in the future?
4) How will the Department enhance the circumstances for those who use its services and products?
5) What contribution should the Department be making?
6) How does the Department describe the desired future?

Values

Purpose

A Values Statement is the expression of the core values and operating principals for the conduct of a department in carrying out its mission. It describes how the department conducts itself as it does its business. In so doing, it communicates to the public the basic elements of operational philosophy to be followed by the agency and provides a guidepost for employee conduct.

The Values Statement is derived in conjunction with the development of the Mission Statement and, if applicable, the Vision Statement. It defines the department's business by articulating management policies and principals. The Values Statement should define a customer-oriented approach for producing and delivering government services and products.

The statement should reflect the values and principals that guide departments'/agencies' behavior. It is a statement of the relationship between the organization and its stakeholders—consumers of its services and products, service communities, employees, et. al. The statement defines the basic department approach in terms of management style, organizational values, and rules of personal and department behavior. It might include such topics as respect for individuals (customers and employees), ethical and professional standards of conduct, equal opportunity policies, and quality customer service standards.

A department's personnel manual should be consistent with the principals outlined in its Values Statement. The statement should generally be no more than one page in length.

Steps

Departments have a number of options with respect to Value Statements. They can either adopt the County Stewardship Statement as is, modify the County Stewardship Statement and customize it for their own needs, or develop their own statement from scratch. If either of the last two options is selected, the following steps and/or questions should be addressed:

Organizational Value Descriptors

- Explicitly or by default, values and beliefs guide the decisions of organizational life.
- Values are expressions of the organizations "personality," determining its attractiveness to employees, customers, and all others who have a say in whether the organization will prosper.

- Publishing values is a good ideas, but living them day in and day out is relly what counts in the end.
- In many cases, an organization's strength is not so much in its strategy or even in its products, but rather in the way it behaves.
- Values are an integral component of the cultural imprint that can make or break an organization, agency or company.

Questions for discussion about the Department/Agency values.

- How do we incorporate these values into our everyday job?
- What actions does the Department/Agency need to take to support its values? (Walk the talk).
- What changes can we make in our operations to live by the County Stewardship Statement and our Department/Agency values?
- How do our values align with our Mission and Vision Statements?
- How are our values reflected in our Program and Activity Purpose Statements and our performance measures?
- Is our Value Statement concise, in plain language, and easy to remember (and recite)?
- Are we proud of our Value Statement? Is it something we would like to see in print?
- Do our values shape the consideration of internal and external factors affecting our Department, and how do they inform the development of our Department's Issue Statements and Goals?
- Would it be a useful frame of reference in talking with our employees and external customers/stakeholders and organizing/informing our operations?

Overview: Developing the Operational Portion of the Plan

Strategic Plans organize Department results into three levels, —Program, Activity and Services-- regardless of the size or scope of the organization. At each of these levels, the work of the Department is organized around results, rather than around processes, functions or other traditional categorizations. Organizing by common purpose or result helps departments shift focus from "what we do" to "what the customer experiences" in terms of a result.

The Strategic Plan should contain the following operational elements, developed through a facilitated and participative process. Development begins during the second day of the Retreat, continues during Interim sessions involving employees, and completed during the third and final days of the Retreat.

The order in which these elements are presented in the Strategic Plan document differs from how they are developed, so that alignment is evident and employees can see how they contribute. The development process begins at the Service level, then continues through Activity Purpose Statement and Performance Measure development, and ends at the Program level.

This process ensures that each of these three levels is focused around results, rather than outputs, functions, or other common categories. It also ensures that the Strategic Plan incorporates the scope of the entire organization. This is important because the performance measures will not address everything that a department does. It is therefore important that Programs are defined in such a way that the aggregated Activity results reflect the entire department.

- **Program**
  - ➢ Groupings of Activities by common purpose
  - ➢ A Purpose Statement defines this result, as well as the services provided, and to whom (customer)
  - ➢ Performance Measures are comprised of Key Result Measures of the Activities within the Programs
  - ➢ May or may not align directly with Strategic Goals

NOTE: Strategic Goals are strategic in nature, and generally do not address "business as usual" issues. Many Activities, however, encompass those types of operational results. Programs comprised of such Activities will align with the department Mission and Vision, rather than Strategic Goals.)

- **Activity**
  - ➢ Groupings of Services by common purpose
  - ➢ A Purpose Statement defines this result, as well as the services provided and to whom they are provided

- ➢ Result is defined as the benefit that the customer experiences as a consequence of having received the services; it is usually a more immediate result than what term "outcome" often implies
- ➢ A set of Performance Measures—the Family of Measures--are contained within each Activity, and tell the story of that Activity

- **Family of Measures:**

  - ➢ Result—expressed as a percent or rate, states the concrete benefit or impact that the customer experiences as a consequence of having received the service or product

  - ➢ Output—expressed as a number, states the volume of a service that is anticipated to be delivered to customers

  - ➢ Demand—expressed as a number, states the volume of that same service that is expected to be requested or demanded by customers

  - ➢ Efficiency—expressed as a dollar cost per result or unit of service (same service identified as the output) or, wherever possible, the $cost per result should be expressed. This measure can also include turnaround time, etc.

- **Services**

  - ➢ When grouped together by common purpose or customer, they form an Activity
  - ➢ Defined as the product or deliverable that the customer actually receives; expressed as a noun
  - ➢ Processes (internal) are not services
  - ➢ A particular Service that the department believes is critical to track, or is a good indicator of overall performance in an Activity would be chosen to be monitored, and in this way, becomes the Output Measure
  - ➢ Sometimes, because of constituent concerns, elected officials need to be able to report costs of a specific service

Why three levels
The strategic plan delineates three levels of operational results—programs, activities, and services. Generally, results must be identified low enough to be operational, and high enough to be strategic and provide a presentation of results useful to executives and policy-makers.

A strategic plan that is organized around results and is illustrated in the three levels of operations – programs, activities, services achieves practical rather than theoretical results. These levels permit departments to provide a "mapping" of operations that is easy for external customers of the strategic plan to access and understand, providing both an executive overview—at the program level and a

"nuts-and-bolts" operational view at the activity and services level. Furthermore, three levels of organizational results help departments define discrete results at the level where managers make day-to-day decisions. This methodology allows employees to connect their own work to those results.

These elements, or levels of operations, are defined differently than traditional methods because the focus is on results, rather than similar processes, outputs, function, location, etc. Results are organized from the "bottom-up." So, Services are first grouped by common purpose, or result, into Activities, and Activities are grouped by common purpose into Programs. Defining these three levels of operations in this way makes it possible to demonstrate how each level of operation contributes to the next highest level, creating an aligned organization.

Involving Employees
Defining results at the operational level demonstrates to employees how their work supports the larger picture in achieving results. The Strategic Planning process fully involves employees in the development of the operational elements of the Plan. Once the Retreat team identifies the architecture of the Strategic Plan, managers meet with teams of employees, organized according the Plan, to develop or finalize the Purpose statement, and to develop a Family of Measures.

Different Ways to "Tell Your Story"
Results can be thought of in several ways. Planners must think through the issues to identify the true customer of those services and the result they can expect to experience. Some results are more important to illuminate than others, and pulling those services out to form an Activity is one way to "tell your story." Similarly, some services are cross-cutting, and if the Department wants employees to prioritize their efforts to focus on those results in a different way than in the past, then pulling those services out of the more traditional groupings to form an "Activity" can accomplish that.

Performance Measures contained within each Activity
Performance measures are contained within each Activity, in order to make alignment immediately evident. Employees will likely produce their results within a few Activities, most within one Activity. They need to be able to think about their work in terms of the Result they're after in that Activity, and how their results contribute to Results at the next highest level. In this manner, the Strategic Plan is itself "integrative," that is, it connects employees working at the operational level to the strategic goals of the operation.

Conducting a Services Inventory

Purpose

A services inventory is a compilation of deliverables or products that the customer receives. They are the products or <u>completed</u> efforts that are provided to internal and external customers.

Services may be tangible in nature, as in a product provided, or intangible, as in a service provided. They are distinct from processes in that they represent 'deliverables' to the customer.

Services are described as nouns, not verbs, thus defining Services in terms of what the customer gets rather than in terms of what the Department does.

After all the Services are compiled into a list and confirmed, they are then grouped by common purpose into Activities.

Identifying the Services provided allows Departments to:

- Clarify for internal and external customers exactly what the department does and does not do in providing Service to the community.

- Clarify for employees the interrelatedness, in terms of results, of the Services they and their co-workers provide, helping to establish a results-oriented culture.

- Identify important outputs the department wants to monitor and manage.

- Create an accounting structure that permits departments to capture and monitor cost per outputs.

- Provide a linkage to individual and team accountability.

- Strategically identify the cost information, often captured as a cost per unit of Service measure, needed to make day to day decisions.

Steps: Conducting a Services Inventory

1. **Identify and list one Service from each major area in the organization.**

2. **Review the list and rephrase, as necessary, so that every item meets the criteria for a "Service."**

3. **Complete and finalize the list of Services.**

4. Check: Do these Services meet the key criteria?

Step 1: Identify and list one Service from each major area in the organization

Key questions to identify and define a Service:

- What are the discrete things, the "deliverables", that we give to our customers?

- Who is the customer for this Service?

- Where, in the management structure of our organization, do we want to start identifying our Services?
- If we were selling our Services on the open market, and we needed to produce a small brochure (1 tri-folded page) for marketing purposes, what would we list on the front, in bullets, that would tell people, quickly and succinctly, what tangible or intangible 'thing' they could buy from us?

Examples of Services:
➢ Training Courses……….rather than "Conduct Training"

➢ Salary Surveys……………rather than "conduct salary surveys"

➢ Health Assessments………rather than "assess health status"

➢ Investigation Findings…rather than "conduct investigations"

Tips:
1. The listing of Services should be a collaborative process.
2. Services are not the processes engaged in, nor are they the actions taken that lead to the delivery of the Service.
3. Proper identification of Services is critical to the reorientation of thinking around results rather than efforts.
4. Remember that later in the development of the Strategic plan, output measures will be developed from the list of Services.

Step 2: Review the list and rephrase, as necessary, so that every item meets the criteria for a "Service"

Every Service should:
- Have a customer who receives the Service.

- Be expressed as a noun or noun phrase. This shifts focus to deliverables and away from efforts or processes.

- Be measurable as a count of something. Services are outputs that, when measured, are described as "# of X delivered."
- Represent the "end product" or "delivered Service", rather than an action engaged in prior to actually delivering the Service to the internal or external customer.
- Be identified at the appropriate level, in terms of scope, in the organization.

Step 3. Complete and finalize the list of Services

Complete the listing of Services by identifying additional items from each area of the organization. Combine duplicated items as needed.

To stimulate strategic thinking, ask:

- Of all the things that we do, which are especially important to us from the perspective of capturing and managing costs?

- Of all the things that we do, which are especially important to the County's corporate decision-makers, from the perspective of capturing and managing costs?

- Of all the things that we do, which are most important to policy makers— which things would they likely look for to be sure they were being provided to the community?

Step 4. Check: Do these Services meet the key criteria?

- Does the list include all key Services and products provided by the department to internal or external customers?

- Are all the Services expressed as nouns?

- Do all the Services represent the 'deliverable' that is provided to the customer at the point of contact?

- Are all the Services identified at the appropriate level in the organization?

- Does this listing permit us to strategically identify the cost information, often captured as a cost per unit of Service measure, needed to make day to day decisions?

- Does this compilation of Services identify important outputs the department wants to monitor and manage?

- Will this compilation of Services help us develop performance information that we can use to manage our department?

- Will this compilation of Services help us develop performance information that we can use to 'tell our story' to external stakeholders?

<u>Next Steps - Delineating Activities – Grouping Services</u>

This step, though sometimes difficult and tedious, is critical to the "bottom-up" creation of the strategic plan. Next, these Services are grouped together by common purpose into Activities, forming the first "building block" of the Plan that will later be connected to the accounting and budgeting system.

Delineating Activities: Grouping Services into Activities

Purpose

Activities area set of Services grouped together by common purpose or result. Activities may include Services to the public or to internal customers within the Department. Activities are managed at the service delivery level and form the "building blocks" of the Strategic Plan.

Defining Activities in a manner that supports results-oriented management ensures that the Department and its employees understand why they are doing what they are doing in terms of benefits to clearly identified customers.

An Activity is comprised of:
- A set of Services with a common purpose
- A Purpose Statement
- A Family of Measures

Activities provide a context, through the Purpose Statement and Family of Measures, for making better business decisions. The structure of Activities in the Strategic Plan provides the organizational structure for the Performance Budget, ensuring that stakeholders have the performance information—at the operational level—to make resource allocation and other decisions during the Budget process. In this way, the Activities are the "nuts and bolts" of the Strategic Plan.

Activities are developed to: :

- Ensure that the Department is clear about who the customer is and the intended benefit for every Activity

- Provide a results orientation for communicating with employees about the services they provide and their contribution to results

- Provide a sense of purpose for County employees.

- Provide the structure for the Performance Budget

- Provide the direct linkage to executive, team, and employee performance plans and evaluations

- Create accountability through the "Family of Measures"

Steps: Grouping Services into Activities
1. **Review Strategic Goals and Issue Statements**

2. **Group Services by common purpose, or result, rather than other criteria, such as current organizational structure, funding source or tradition.**

3. **Consider priority results that need to be illuminated through Purpose Statements and Performance Measures**

4. **Analyze and confirm entire structure of Activities.**

Step 1: Review Strategic Goals and Issue Statements

Strategic Goals, developed earlier in the Retreat to position the Department to respond proactively to major issues on the horizon, are accomplished through the creation of results at the Activity level. It is important for the Retreat team to review these Goals now so that Activities can be delineated within the context of future results to be achieved.

How:

- **Ask team members to stand and silently review the posted Issue Statements and Strategic Goals.**

- When everyone is seated, ask one team member to quickly and concisely summarize, in his or her own words, the desired Results. . Others may also contribute.

Step 2: Group Services by common purpose, or result, rather than other criteria, such as current organizational structure, funding source or tradition.

During the facilitation of the grouping process, Retreat participants must be encouraged to think strategically, and in the context of their results-oriented Strategic Goals, because it is this part of the strategic planning process where breakthrough thinking is most possible. This is the juncture where planners can construct a Strategic Plan that permits them to "tell their story"—particularly to decision-makers, and to employees—in ways not possible before.

How:

- Confirm the Inventory of Services.

- Group Services by common purpose, carefully considering the different approaches to doing so:
  - Common results produced?
  - Common primary customer?
  - Common benefit?

- Consider priority results that need to be illuminated through Purpose Statements and Performance Measures.

Results can be thought of in several ways. Retreat participants must think through the issues to identify the true customer of those Services and the result that customer expects to experience. Some results are more important than others to department and corporate decision makers. Pulling those Services out from their groupings to form a distinct Activity so that Purpose Statements and Performance Measures can be developed specifically for those results is one way to illuminate those results very strategically.

Similarly, some Services are cross-cutting, and are provided through several work units, such as. . . . If the Department wants employees to prioritize efforts to focus on those results in a different way than in the past, then pulling those Services out of the more traditional groupings to form an "Activity" can create that kind of emphasis.

Step 3: Consider priority results that need to be illuminated through purpose statements and Performance Measures

How:

- **Ask Retreat participants to consider the following issues:**

  - How does our performance information need to be organized in order for us to tell our story in the way that we want?

  - How do we want to organize our efforts so that particular results, as opposed to others, are produced?

  - How can we be strategic in our thinking as we consider different sorting options?

  - What information do we know our external stakeholders need, and how do we structure Services and Activities so that they can get that information quickly and easily?

  - How do we want our Performance Budget to structured so that it supports the results orientation that we want?

- Sort and re-sort services until all Retreat participants are confident that the groupings will provide performance information in the manner desired.

Step 4: Analyze and confirm entire structure of Department Activities.

How:

- **Confirm groupings—ensure that particular sorting will illuminate performance information in the desired manner. Consider:**
  - ➢ How does performance information need to be organized in order for us to tell our story in the way that we want?
  - ➢ How do we want to organize our efforts so that particular results are produced?
  - ➢ How can we be strategic in our thinking as we consider different sorting options?
  - ➢ What information do we know our external stakeholders need, and how do we structure services and Activities so that they can get it quickly and easily?
  - ➢ How does our budget need to be structured to support a results-orientation?

- Name each grouping, which now becomes an Activity. This becomes the name of the Activity

- Summarize the Services in the Activity into a noun phrase to ensure they have a common purpose

Check:

- Will this arrangement of Services into Activities provide the Department/Agency the kind of performance information needed to manage day to day?

- Will this arrangement of Services into Activities provide corporate decision-makers the kind of information they need?

- Will this arrangement of Services into Activities provide the Board the kind of information it needs to make policy decisions on behalf of the public?

Delineating Activities: Developing Purpose Statements

Purpose

Employees working within each Activity, in small groups, during the Interim period develop purpose Statements and the Family of Measures for each Activity. During this part of the Retreat, facilitators will teach Retreat participants how to develop these products with staff. Purpose Statements are clear, concise, and results oriented statements that bring together the name, the service or product delivered the customer and the intended benefit for the customer. Strategic Plans include Purpose Statements for all Activities, and then are developed again, when those Activities are "rolled-up" into Programs. The Mission statement for the Department is a Statement of Purpose for the Department as a whole.

Purpose Statements create an orientation toward results for managing, budgeting and operations and are fundamental to the Department's/Agency's Strategic Plan. As such, they should be written so that all stakeholders can clearly understand the Department's/Agency's Programs, Activities, and Services in terms of results for customers.

The Purpose Statement for Activities helps employees become clear about their work purpose. Because it is developed collaboratively, it has the potential to help employees recommit to the work, understand their contribution to the accomplishment of results, create common understanding and sense of purpose among staff members, and become excited again about service to the community.

Steps: Developing Purpose Statements:
Purpose Statements, whether for the Mission, or for Programs and Activities, are developed using the Managing for Results Template. Use a facilitated, participatory process to formulate the Purpose Statement.

```
┌─────────────────────────────────────────────┐
│       Managing for Results Template          │
│                                              │
│  The purpose of the _____Activity │
│                                              │
│  i to provide _____ │
│                  (SUMMARY OF SERVICES PROVIDED) │
│                                              │
│  to _____ │
│                     (CUSTOMER)               │
│                                              │
│  so that they can_____ │
│  _____ │
│         (PLANNED BENEFIT—EXPERIENCED BY CUSTOMER) │
│                                              │
│  © Weidner Consulting                        │
│                                              │
└─────────────────────────────────────────────┘
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Ask questions to encourage strategic thinking and gain insight. Because Purpose Statements are so critical to the delineation of Activities, and to the development of Performance Measures, it is important to gain consensus from all participants on Purpose Statements.

In the Planning Retreat itself, participants learn how to develop Purpose Statements for one or two Activities, so that they can teach and lead others to develop Purpose Statements (and Performance measures) during the interim, prior to the final Retreat day.

Facilitation Tip:
Use two flipcharts throughout the process--one with the Template, the other to brainstorm words, key ideas, and phrases for each step. As consensus among the team emerges, fill in the appropriate blank of the Template.

For each learning example, follow these steps:

Step 1: NAME-
State the name of the Activity. Choose a name that has meaning not only to the employees involved in the Activity or service, but also to the customers and to decision makers.

Step 2: SERVICE OR PRODUCT PROVIDED-
State the service or product provided in clear language and keep it succinct. Be as specific and descriptive as possible, but keep it succinct. Use nouns and avoid adjectives. Avoid technical jargon- use commonly understood terms. Think in terms of deliverables rather than processes, and be sure that the Activity's benefit or impact is not included in this line. Lastly, at the Activity level, services

need to be summarized, not listed- save time by developing summary names for service groups prior to filling out the template.

Step 3: CUSTOMER-
Identify the **immediate** customer. Again, be as specific and descriptive as possible, but keep it succinct. It may be necessary to brainstorm a list of customers and then narrow it down to the most immediate customer. Ask: Who receives the direct benefit of this Activity or service? For whom does this Activity exist? Avoid huge generalizations such as "the residents of Maricopa County" unless this Activity truly serves, as direct customers, anyone who lives in Maricopa County. Otherwise, identify as the customer those who actually receive the services directly. Remember that customers may be internal or external to the organization.

Step 4: RESULT –
Articulate the desired impact on the customer*.* What benefit will the customer now be able to experience as a consequence of receiving these services? What will change, improve, increase or decrease because of this Activity or service? Be sure to do a reality check on your result: Can this Activity or service reasonably be expected to influence that outcome? Is it too indirect or long term? Is it too vague or broad to be measured? How do we know what our customers want?

When developing Purpose Statements, consider these questions:

- How has the Activity been defined and named in the past?
- Are the terms used to describe the service the same as the public uses? Should the terms change?
- Who has been defined as our customer in the past? Is this correct?
- Who are the immediate customers?
- To whom do we directly provide our product or service directly to?
- Are too many customers identified? Are we being practical?
- Who receives the direct benefit of this Activity?
- Is the service listed in the Purpose Statement a summary, not a listing, of the services provided?
- What is the planned benefit the Department seeks to achieve? Can we directly influence the achievement of this result?
- Is the planned benefit stated in terms of results?
- Is it a result that can and should be achieved?

Other Tips on Purpose Statements

The "Five Whys" to Results

Using a technique called the "five whys" is very useful when trying to develop *Activity Purpose Statements* and arrive at the planned benefit? In the development of *Activity Purpose Statements,* it is easy to stop short of describing the benefit in terms of results for the customer.

When completing the last line of the Activity Purpose Statement, one technique is to ask—sometimes it takes up to five times the question "Why?" until the team moves away from describing effort and arrives at the measurable result that is experienced by the immediate customer.

Also…

- The name of an Activity is important, especially to the staff and the customers. Be careful to write a name that accurately reflects what it is and that does not carry a stigma with the words used.

- Ensure that the "services" line of the Purpose Statement reflects the 'deliverables' provided to the customer, rather than processes. Use nouns or noun phrases to ensure a focus on the "what" that the customer actually receives. No lists please, only a summary will work.

- There is a tendency to define the customer too broadly. Focusing on the immediate customer, the people or person who directly receives the benefit, is a critical success factor in writing Purpose Statements and developing results oriented Performance Measures.

- The Result or benefit is defined as what the Activity can reasonably be expected to significantly influence. Results such as "world peace" and "living happy lives" are great, but difficult to quantify or attribute directly to a departmental activity.

- The "Results" line of the template leads directly to development of the Results Measure. If the Output measure does not emerge easily from the "result" line of the Activity Purpose Statement, then the team should revisit the statement.

  - Is the result too broad or vague to be measured?
  - Is the result actually contained in the "services" line, rather than the 'result' line?
  - Is the result too indirect or long term?
  - Is the customer identified correctly? Does the result match the benefits the customer receives?

Next Steps - Developing Performance Measures

Now that Purpose Statements define the desired results, a Family of Measures can be developed in a meaningful way.

Developing Performance Measures

Purpose
Performance Measures define the information that management needs to manage. Performance Measures are tied directly to the operations of the department, i.e., Activities and Services.
Maricopa County has chosen a balanced and practical approach to performance measurement by using a Family of Measures that includes Results, Outputs, Demand and Efficiency measures. These four categories of measures shall be developed for all Activities.

All measures will have a data collection plan for how the data will be collected. Input measures are used to in the budget to develop Efficiency Measures, but are not reflected in the Strategic Plan.

Maricopa County is developing Performance Measures and investing in Managing for Results to produce better results and provide the greatest return on investment. Performance Measures generate the information that Managers need to produce these results and determine the degree to which the Results are being achieved.

Steps:
1. Consider what information the Department needs to manage and "tell their story."
2. Review basic requirements for Performance Measures.
3. Review the definition of each category of Performance Measures
   - Review the Program Purpose, with emphasis on the result;
   - Develop Result, Output, Demand and Efficiency measures for each Activity. Check each against key criteria.
   - Determine if the proposed measure aligns with the Activity Purpose Statement.
   - Determine if the information generated by the performance measure can/will be useful for decision-making.

Step 1. Consider what information the Department needs to manage and "tell their story."

Ask the following questions:
What information do we need to manage day-to-day operations?
What information do the customers and stakeholders want to see?

Step 2. Review basic requirements for Performance Measures.

Ask the following Key Questions to identify basic requirements:

What kinds of Performance Measures are required?
As part of the development of Strategic Plans, County departments will develop at least one Performance Measure in each of the four categories for every Activity.
A Key Result Measure will be selected from each Activity. These Key Result Measures will be the Results for that Program.

Who develops Performance Measures?
Because the goal is to develop measures for use in day-to-day decision making. Performance Measures development needs to be a participatory process. That is why the development of Performance Measures occurs during the 3-4 week interim period and involves Activity staff in the process.

For what period of time are we writing Performance Measures and targets?
Performance Measures are set and written prospectively for the upcoming fiscal year as part of the development of the Department's Strategic Plan. As data is collected, information about the performance of Programs, Activities, and Services is reported retrospectively.

Do we need Performance Measures for Services?
If management determines that it is important to generate performance information for a service, particularly efficiency or cost information, Performance Measures may developed for that service.

Performance Measurement Tips

- Start by determining what information is needed, then determine how to get the data. Don't be limited to only those measurements where data is currently available.

- Make sure all Retreat participants are clear about the differences between results and Outputs.

- Make sure the Result measures align with the Result in the Purpose Statement. This is a critical success factor in developing good measures.

Make sure you can answer the question: "How will this information be used?" If you cannot answer this, then the value of the measure should be questioned. Measures will be used to make day-to-day decisions – they should be developed in a participatory manner.

Step 3. Review the definition of each category of performance measurement

Results Measures

Defined: The benefits the customer experiences as a consequence of receiving the services or products. Stated in terms of percentages or rates.

By definition, Result Measures are difficult because government and public sector managers results for the immediate customer. However government can influence results. Thus, the appropriate definition is that a Result measures the impact that a given program can reasonably be expected to significantly influence.

The method for establishing high quality result measures rests in the use of the Managing for Results Template that departments use to develop Purpose Statements for Activities and Programs.
When the managers and staff who deliver a set of services or Activity are able to be clear about the expected result, it becomes a straightforward task to write the Result measures. The Results reflect the language and substance of the result written in the purpose statement.

Managing for Results Template

The purpose of the _____
                          (Name of Activity or Program)

is to provide (or produce) _____
                          (Service or product delivered)   [what]

 for   _____
                  (customer)   [who]
so that _____
                  (RESULT / benefit)

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Key Questions for Result Measures
1) Does this measure impact, not process?
2) Does the Result align with the result in the Purpose Statement?
3) How will this information be used?

Output Measures

Defined: The number of units of service or product delivered to the customers. Stated in terms of numbers or counts.

Many Output Measures may be available, so it is important to prioritize which Outputs to measure by determining 1) which measures are most useful in making management decisions, and 2) which measures have the most direct impact on achieving the Results for each program. Steps for developing Output measures:

- Analyze past trends in the generation of Outputs in the Services included in the Activity as compared with the resources available;
- Assess the resources available in the current budget and the upcoming budget to deliver Services;
- Review the Issue Statements developed through the Environmental Assessment to determine if there are any trends that may increase or decrease the demand for Services;
- Consider if the Services are being delivered in an efficient manner and project whether process improvements may influence the level of outputs that can be delivered;
- Prospectively set the Output Measures for the upcoming budget cycle;
- Document the methodology for future reference.

Key Questions for Output Measures
1) Does this measure effort?
2) Does this output make a critical contribution to the Result?
3) Does the measure align with the Program Purpose?
4) How will this information be used?

Demand Measures

Defined: The number of total units of service or product anticipated to be demanded or needed by the customer. An advanced measure of demand measures the total anticipated need for Services.

Developing Demand data requires a few straightforward steps:
- Analyze past trends in the demand for services
- Assess the current demand for Services

- Review the Issue Statements developed through the Environmental Assessment to determine if there are any trends that may influence future demand for Services
- Project the expected Demand for Services
- Document the methodology for future reference.

Key Questions for Demand Measures
1) Is this a baseline or trend?
2) How reliable is the data?
3) Does the Demand Measure correspond to the Output Measures chosen for this Activity?
4) Does the measure align with the Program Purpose?
5) How will this information be used?

Efficiency Measures

Defined: The average Activity cost per Output or Result. May also measure time per unit of service. Future efforts may make it possible to calculate the cost per result.

Activities must be measured by at least one cost measure. The information used to calculate the costs must be derived from the County's accounting system.

Efficiency measures that measure cost will be developed for all Activities. In cases where either department or corporate managers believe it is important to measure the cost efficiency of a service, that service will have an efficiency measure developed for it.

Efficiency measures may also measure the time that it takes to deliver an output, such as the time per processed application.

Essential steps include:

- Consider the Department's need and corporate managers' need for cost information
- Review past efficiency data, formulas used to calculate efficiency and the sources of the data used
- Determine if these are still the appropriate methods and data to use
- Establish Efficiency measures prospectively
- Ensure that the cost data used will come from the County's accounting system.

Key Questions for each Efficiency Measure developed:
1) Does this measure the cost per Output?
2) Is it possible to begin calculating the cost per result?

3) Does the Efficiency Measure correspond to the Result, Output, and Demand Measures for this Activity?
4) Does the measure align with the Activity Purpose?
5) Is the cost data derived from the County's accounting system, AFS?
6) How will this information be used?

Characteristics of High Quality Performance Measures

<u>Relevant</u> - logically and directly related to the organization or Activity Purpose
<u>Understandable</u> - communicated in a clear manner.
<u>Consistent</u> - used uniformly in the planning, budgeting, accounting and reporting systems.
<u>Comparable</u> - provides a clear frame of reference for assessing performance over time to demonstrate performance trends.
<u>Timely</u> - available to users before the information loses its value in assessing accountability and making decisions.
<u>Reliable</u> - derived from systems that produced controlled and verifiable data.

Examples: Family of Measures with Purpose Statements

The purpose of the Job Training Activity is to provide job training and coaching to individuals with disabilities so they can obtain and retain employment for at least six months.

Result Measure: % job trainees who hold job for 6 months or longer

Output Measure: # participants enrolled in job training course

Demand Measure: # residents eligible for job training

Efficiency Measure: $ cost per participant served (cost per output)
    $ cost per successful job holder (cost per result)

The purpose of the Inspection Activity is to provide residential building inspections to homeowners so they can quickly initiate desired construction projects.

Results Measure   % residential building inspections completed within 3 days of application*

Output Measure# building inspections completed

Demand Measure # building inspection applications anticipated

Efficiency Measure $ cost per building inspection completed (cost per output)

$ cost per building inspection completed within 3 days (cost per result)

(*applications are not considered "complete" unless they meet criteria for completeness and accuracy)

The purpose of the Tax Arrears Assessment Activity is to provide tax assessments and information to delinquent taxpayers so that they choose to voluntarily pay their due taxes.

Results Measure: % delinquent tax dollars paid voluntarily

Output Measure: # delinquent tax dollars assessed

Demand Measure: # delinquent tax dollars expected to be assessed

Efficiency Measure: $ cost per delinquent tax dollar assessed
$ cost per delinquent tax dollar paid

The purpose of the Conflict Management Activity is to provide investigation findings and mediation services to department management so that they can resolve workplace conflicts quickly.

Results Measure: % complaints resolved (both parties agree to follow) within specified time period

Output Measure: # complaints processed

Demand Measure: # complaints expected to be filed

Efficiency Measure: $ cost per complaint processed
$ cost per complaint resolved within specified time frame

The purpose of the Reference Activity is to provide resources and assistance to library users so they get the information they want at the time of their visit.

Results Measure: % library reference requesters reporting they received the information they needed

Output Measure: # library reference requests processed

Demand Measure: # library reference requests expected

Efficiency Measure: $ cost per reference request processed
$ cost per reference request successfully fulfilled

The purpose of the Procurement Activity is to provide processed purchase orders to department staff so that they receive the goods and services they need to do their work by the date promised.

Result Measure: % purchase order customers receiving requested good within specified time period

Output Measure: # purchase orders promised

Demand Measure # purchase orders expected to be submitted

Efficiency Measure: $ cost per purchase order processed
   $ cost per purchase order successfully processed within specified time period

Term	Definition	Examples
Result	The benefit or impact that the customer experiences as a consequence of receiving the services or products. **Expressed as:** **% or rate**	**% job trainees who hold job for 6 months or longer** **% residential building inspections completed within 3 days of application** **% delinquent tax dollars paid voluntarily** **% complaints resolved (both parties agree to follow) within specified time period** **% library reference requesters reporting they received the information they needed** **% purchase order customers receiving requested goods within specified time period**
Output	The number of units of service or product delivered to customers. **Expressed as:** **#**	**# participants in job training** **# building inspections completed** **# tax dollars assessed** **# complaints processed** **# library reference requests processed** **# purchase orders processed**
Demand	The number of units of service or product anticipated to be demanded or needed by customers **Expressed as:** **#**	**# residents eligible for job training** **# building inspections expected to be requested** **# delinquent tax dollars expected to be assessed** **# complaints expected to be filed** **# library reference requests expected to be requested** **# purchase orders expected to be submitted**
Efficiency	The average Activity cost per output or result **Expressed as:** **$ cost per**	**$ cost per participant served (cost per output)** **$ cost per successful job holder (cost per result)** **$ cost per building inspection completed (cost per output)** **$ cost per building inspection completed within three days (cost per result)** **$ cost per tax dollar assessed (cost per output)** **$ cost per tax dollar paid (cost per results)** **$ cost per complaint processed (cost per output)** **$ cost per complaint resolved within specified time frame (cost per result)** **$ cost per reference request processed (cost per output)** **$ cost per reference request successfully fulfilled (cost per result)** **$ cost per purchase order processed (cost per output)** **$ cost per purchase order successfully processed within specified time frame (cost per result)**
Input— (Budget)	Resources allocated –used to calculate Efficiency Measures	Dollars spent Staff hours used Tons of material used

Next Steps: Interim Steps

Now that Retreat participants understand how to develop Purpose Statements and the Family of Measures, they are able to lead Activity teams of employees through the process of creating the actual Purpose Statement and Measures.

Interim Steps

Purpose

The Strategic Planning process is designed to be a collaborative and highly participatory process, intended to develop information that managers can and will use to make day-to-day decisions. The Retreat starts with one half day of orientation and two full days of work, followed by an interim of 3-5 weeks of work with Department staff, followed by one additional Retreat day.

Before beginning work on specific Activities, it is important that all necessary staff be given a brief Managing for Results overview. This overview should describe:

- Why the County is developing Strategic Plans

- The County Strategic Planning structure, using the graphics available from the Office of Management and Budget

- The products expected before the final day of the Retreat – Purpose Statements and Performance Measures

- What Strategic Planning will do for the Department/Agency

During the interim period, managers who participated in the Business Planning Retreat should meet with their direct reports and line staff to develop Purpose Statements and Performance Measures for all Activities in the department.
In order for the Plan to be useful, as well as relevant and legitimate for mangers and staff who are expected to use the information, they must be involved in developing the Program Purpose Statements and Performance Measures.

During the interim, and after the initial draft of the Purpose Statement and Performance Measures have been developed, each Retreat participant responsible for one or more Activities will meet with an Interim Review team to review and receive comments and assistance on these products.

Upon completion of this work, the third day of the Strategic Planning Retreat will be held. Much of this time will be spent presenting the Program Purpose Statements and Performance Measures to all Retreat participants.

Steps: Interim Sessions
1) Review and discuss:
- Issue Statements in the Plan in relation to your team's work
- Mission
- Strategic Goals
- Inventory of Services and delineation of Activities completed in the Retreat

2) Review Resource Guide sections on Purpose Statements.
3) Review any Program Purpose Statements completed during the Retreat.

4) With appropriate staff, develop Purpose Statements for all Activities

5) Review the Resource Guide section on Performance Measures

6) Facilitate the development of Performance Measures for every Activity managed by the team.

7) Review the Resource Guide section on Services.
   Keeping the Issue Statements, Strategic Goals and Mission in mind, Retreat participants should consider the need for additional or different services. As Retreat participants work with staff to develop these important elements of the Strategic Plan, this is a very good opportunity to consider whether the existing Services/Activities will produce the desired results.

   During the Interim and after the development of the initial draft of the Purpose Statements and Performance Measures, the Strategic Coordinator will meet with the Retreat participants and key staff working on these important products for each Activity. During this Review staff will receive feedback and suggestions for completing the Purpose Statements and Performance Measures.

8) Complete products in Activity Alignment Worksheet provided by OMB

9) Prepare overheads of Performance Measures and Purpose Statements for each Activity for presentation in the last Retreat day

QUESTIONS:

- Are all important employee groups included in the development of Activity Purpose Statements and Performance Measures?

- Are all Activities managed by the department included in the process?

- Is everyone clear about the products expected and the timelines?

- Do the Retreat participants know how to contact the facilitators and/or the Strategic Coordinator for consultation services?

TIPS AND TRAPS

The work in the Interim is an opportunity to build understanding and gain buy-in from managers and staff who will be implementing the Plan and using the performance information to manage on a day-to-day basis.

This is a good opportunity for managers to demonstrate and be recognized for their leadership abilities.

It is a good idea for the Retreat participants to meet as a group once or twice during the Interim to talk about how it is going and discuss problems encountered.

Next Steps: Team Review of Purpose Statements and Performance Measures

Now that employees across the Department have participated in the development of Purpose Statements and Performance Measures, Retreat participants will convene to present their completed products to the rest of the team.

Team Review of Purpose Statements and Performance Measures

Purpose

Following the last Retreat session, managers worked with employees in teams that were convened according to each Activity to develop Purpose Statements and Performance Measures. Now, retreat participants reconvene, as a team, to review all Activity Purpose Statements and Performance Measures. The team then revises, as needed, and finalizes the Strategic Plan.

During the Interim period, retreat team members worked independently with their employees to develop the operation portion – or the "nuts and bolts" of the Strategic Plan. , It is important that the entire team prior to integrating into a cohesive overall plan evaluate the pieces of the Plan that were developed in these small groups.

This is also an important opportunity for Retreat participants to share their experiences involving employees in the process. Usually, senior managers report that it is time-consuming and difficult work to facilitate employees through the process of developing and/or confirming Purpose Statements and the Family of Measures, the benefits gained in terms of employee engagement and understanding of the goals and priorities of the Department is more than worth the effort.

Steps: Team Review of Purpose Statements and Performance Measures:

1. **Department Director: Introduce session, acknowledge progress so far, and restate commitment to process and expected outcomes.**

2. **Each Activity Manager: Present Activity Alignment Worksheet Results, using overheads or LCD media.**

3. **Retreat Team participants: Provide feedback, ask questions, and offer suggestions.**

4. **Retreat Team: Make final decisions regarding listing of Services, Purpose Statements and Performance Measures.**

Next Steps: Delineating Programs

Now that employees across the Department have participated in the development of Purpose Statements and Performance Measures, Retreat participants will convene for the final day to complete the Strategic Plan.

Delineating Programs

Purpose

A Program is a set of Activities with a common purpose that produces results for citizens. Programs represent broad result areas. Programs:

- Are described in clear, results-oriented terms in a Purpose Statement
- Are aligned with the Department's Mission and Goals, as well as with Activities
- Contain performance measures that measure the impact on citizens
- Represent the level at which broad policy and budgetary decisions are made
- Encompass all of the Department's operations.

The Department's/Agency's Programs create the business profile of the department; they express the particular mix of services and products that the organization is offering to the public in order to achieve its Mission.

Formulate Programs in order to:

- Communicate to the Board of Supervisors and public in a concise, accessible manner what results the community can expect from the Department/Agency
- Provide the arena within which legislative decision making is focused
- Ensure that business decisions are based upon results
- Provide a vehicle for thinking strategically about the Programs the Department/Agency wants to engage in so that it can achieve its Mission

Steps: Delineating Programs

Programs are delineated by grouping the Activities of the Department/Agency around a common purpose. Each Program shall be comprised of:
- A set of Activities grouped around a common purpose
- A Purpose Statement
- A set of Key Results Measures

Programs should be developed collaboratively. Follow these steps:

1) Identify each Program by grouping Activities by common purpose or result.
2) Confirm the identification of Programs by checking for alignment against the Department Strategic Goals.
3) Develop a Purpose Statement for each Program, using the Managing for Results Template.
4) Identify Key Results Measures for each Program.

Step 1: Identify Each Program by grouping Activities by common purpose or result.
- Check the groupings of Services that comprise each Activity to ensure that all work units and operations are reflected
- Review the Activity Purpose Statements
- Group the Activities together by common purpose or result
- Give each Program a name

Step 2: Confirm the Identification Programs by checking for alignment against the Department/Agency Strategic Goals

- Post the Department/Agency Strategic Goals alongside the groupings of Activities
- To confirm groupings, ask: Is each Program arranged around a common purpose?
- Is the common purpose one of results experienced by the customer, rather than process?
- Are all of the Department's operations included in the Program?
- Does the configuration of Activities and Programs move us toward achieving Strategic Goals? How?
- Does each of our Strategic Goals have one or more Programs delineated that directly and significantly address it and that clearly demonstrated specific results?
- Do we need to consider new Services or a different mix of Services and Activities, in order to ensure that we achieve or Strategic Goals?
- Based upon the team's analysis of the above issues, resort services and Activities, as needed, until team is satisfied

Step 3: Develop a Purpose Statement for each Program (using the Managing for Results Template):
- Identify the name of the Program
- Identify the services delivered
- Identify the customer
- Identify the intended benefit

To confirm, ask:
- Does the Purpose Statement describe the Program in terms similar to what the public uses?
- Is there only one or, possibly, two key customers identified?
- Is the Service named in the Statement a summary, not a listing, of the services provided through the Activities grouped together in the Program?
- Can a reader, outside of the Department, easily understand what the "planned benefit" is that the Department seeks to achieve
- Is the planned benefit stated in terms of results?

- Is a result that can and should be achieved? Is the benefit of the Program aligned with the Department's Strategic Goals?

Step 4: Identify key Results Measures for each Program:
Review the Purpose Statement for the Program
Keeping the Purpose Statement in mind, select one Key Result associated with each Activity in the Program

Next Step: Planning Next Steps
Now that the Strategic Plan is complete, the Retreat team needs to collaboratively think through issues related to implementation.

Planning Next Steps

Purpose
The Retreat team will finalize the Strategic Plan and consider action items needed to begin implementation. The following topics are discussed:

- Production of the Strategic Plan
- Inventory of Skills
- Change Management Strategy
- Communication Strategy
- How the Plan will be used

Steps: Planning Next Steps

1) Determine who will complete production of the Strategic Plan and the timeframe.
2) Inventory skills needed by managers and staff to successfully implement Plan.
3) Develop Communications and Change Management Plan.

Step 1: Determine who will complete production of the Strategic Plan and the timeframe.

Retreat participants will discuss and decide how to finalize the Strategic Plan and who will be responsible for final production. The Department/Agency will use the Strategic Planning Alignment Worksheet.

A timeline should be established that will ensure that the Department/Agency submits the Plan within the timeframes established by OMB.

Step 2: Inventory Skills needed by managers and staff to successfully implement Plan.

Retreat participants will discuss the skills they need to successfully implement the Strategic Plan. The purpose of this is for the participants to focus on what they need to be able to do to use the Plan and achieve the results developed in the planning process.

This is usually a brief discussion lasting one-half to one hour. The product is an inventory of skills that the leadership team needs to have in order to succeed at Managing for Results. This can be used to develop individual and group training plans for Retreat participants.

Subjects that often come up include:

- How to use data and information for managing

- How to use data and information for telling the story of challenges and accomplishments

- How to use the Strategic Plan to structure management meetings

- How to interpret/convert data into information that can be used for decision-making.

- Leadership training for Managing for Results

Step 3: Develop Communications and Change Management Strategy

Change management is about keeping the focus on the people. It is essential that leaders develop and implement strategies for engaging Department/Agency staff and stakeholders in the Strategic Planning process in ways that build understanding and commitment. The entire Department/Agency management team, not just the Director, is responsible for change management.

Strategic Plans represent a significant shift in the way Maricopa County does business. However, Strategic Plans are only as good as the commitment people make in using them to manage and telling their story. A change management strategy helps to ensure that the Department's/Agency's staff and stakeholders understand how the Plan will be used to manage and tell the story of challenges and accomplishments.

Steps for developing a Change Management Strategy

Developing a change management strategy is an essential step in making the Plan viable for the Department/Agency. The change management strategy should not be longer that two pages. Some of the specific actions that the management team should include in the strategy are:

- Identify the specific steps and timelines for communicating with department/agency staff about the plan, how it will be used, and why it is important to them, i.e. newsletters, intranet and presentations.

- Identify specific steps and timelines for communicating with external stakeholders about the plan and why it is important to them, i.e. public presentations, etc.

- Decide how the Plan will be used to structure and guide management meetings and other important meetings with department/agency staff.

- Decide how the director and management team will use the plan to make resource and policy decisions in ways that are evident to staff and stakeholders.

- Plan to train Department/Agency staff on how to use the plan and performance information for making management decisions on a day-to-day basis, specific technical or software training, integrate into basic management training and orientation.

- Use the Plan to generate Council interest and support.

- Identify the individuals or groups who will be the most resistant and develop a strategy for including them, communicating with them or helping them understand the Plan.

Final Checklist for Your Change Management Strategy

- Does the Strategy identify stakeholders?

- Have individuals or groups been assigned the specifics tasks in the change management strategy?

- Is top management ready to lead the change management strategy?

- Has the change management strategy been written?

Communication Strategy

Participants will discuss the methods and timing for communicating the Strategic Plan to Department employees, customers and stakeholders. In this case, stakeholders include the Commissioners and any boards or commissions related to the Department.

The communication strategy should be written down so that it can be used by everyone in the Department/Agency.

How the Strategic Plan will be used

Participants will discuss how the Strategic Plan will be used to manage and tell the story of challenges and accomplishments.

This will be discussed for various levels and functions throughout the Department/Agency, such as the Director, operations managers, public information officer, budget staff, human resource liaisons.

The Director will discuss how he/she will use the Plan to structure management meetings and reports to the Board of Supervisors and public.

Maricopa County's

Managing for Results

Common Definitions

Accountability – County Government is <u>willing</u> and <u>able</u> to tell taxpayers what they are getting for their money in terms of results for customers.

Activity – A set of Services grouped together around a common purpose or result.

Baseline – Established level of previous or current performance that could be used to set improvement goals and provide a comparison for assessing future progress.

Benchmarking – The continuous process of collecting information on internal or external standards, processes, and/or best practices, evaluating why they are successful and applying what is learned.

Budgeting for Results – Budget decisions are based on or informed by performance information that describes the cost or efficiency of producing an Activity and the results achieved for customers. This is accomplished by structuring the accounting and budgeting systems according to the structure of Departments' Strategic Plans.

Business Plan (Strategies 2000) – The County's annual plan detailing how the County will be fiscally accountable.

Consensus – A group-based decision in which every member agrees to support the decision, even though it may not be first choice of every member of the group.

Customer – Anyone whose best interests are served by or who receives or uses the products or services of an agency or program.

Demand – The number of total units of service or product anticipated to be demanded or needed by the customer.

Efficiency Measure – Average Activity cost per Output or Result.

Employee Performance Plan – Process of setting employee objectives according to job descriptions and expected results. The plan identifies development needs to enable employees to meet performance.

Environmental Assessment – An analysis of the internal and external trends and issues that will have a major impact on the department and its customers over the next 2-5 years. Issue Statements will summarize the trends and the impact on the department. The Environmental Assessment is based on common sense, data, and information that describes changes anticipated both from inside and outside the department.

Family of Measures – The Family of Measures refers to the four categories of Performance Measures that will be used to measure the performance of an Activity. They include Results, Outputs, Demand, and Efficiency Measures. The reason they are referred to as a Family is that they are developed and used in relationship to one another. They tell this story for each Activity: "We will produce this Result for this customer by producing this Output(s), against this Demand for those Outputs (Services), at this cost (Efficiency)."

Input – Inputs are the volume of resources used to provide an Activity and are important to the Budget process. Inputs are typically stated in terms of dollars or hours, but are sometimes stated in terms of people or material resources. Input information is maintained internally, but is not reflected in the Strategic Plan.

Issues – In Strategic Planning this refers to a circumstance that will have a major impact on the County, e.g. a specific Department and its customers.

Issue Statements – Summarizes the issues and trends the will have a major impact on the department and its customers over the next 2-5 years. Issue Statements include what that impact will be. Issue Statements are not statements of need nor do they describe actions to bed taken. Issue Statements are the products of the Environmental Assessment.

Key Result Measure – A performance measure that is directly related to the Program Purpose Statement and measures the impact that Program have on citizens/customers. They are comprised of one Result Measure from each Activity in that Program.

Managing for Results – Managing for Results means that an entire organization, its management system, the people who work there and the organizational culture (beliefs, behavior and language) are focused on the achieving results for the customer. Managing for Results makes it possible to make good business decisions based on performance and makes it possible for a department to demonstrate accountability for results.

Mandate – A constitutional, statutory or court-ordered requirement from either Federal, State or County entities that results in the establishment of a program.

Mission – The department's Mission is a clear, concise statement of purpose for the entire department. The Mission focuses on the broad, yet distinct, results the department will achieve for its customers.

Output Measure – A performance measure that measures the amount of service provided or number of units produced or processed. Outputs are expressed as a number.

Performance Management – The practice of writing employee performance plans, providing coaching and counseling, and conducting employee appraisals in a way that measures performance in terms of results that align with Activity results.

Performance Measures – Performance Measures describe the information managers and other decision-makers need in order to make good business decisions. Maricopa County uses a Family of Measures that include results, outputs, demand, and efficiency.

Program – Programs are defined as a set of Activities that have a common purpose or result. Programs provide operational and performance information for strategic decision making.

Result Measure – A performance measure that measures the impact or benefit that customers get because they received the department's services.

Retreat – Strategic Planning meetings in which the elements are developed or confirmed. The Department Strategic Planning Retreats will consist of a one-half day orientation immediately followed by two consecutive days of meetings, followed then by the Interim of 4-6 weeks during which there is a Review meeting, and a final day. The Retreat is outlined in the Strategic Planning Agenda Template found in the Resource Guide.

Services – Services are the deliverables or products that the customer receives. Services are described as nouns, not verbs, thus defining services in terms of what the customer gets rather than in terms of what the department does.

Stakeholder – Any person or group with a vested interest in or with expectations of performance from an agency or Activity.

Strategic Coordinator – Coordinates, implements and manages the Managing for Results process and reports for the assigned department/agency.

Strategic Fitness Report Card – A department/agency status report of work completed in the Managing for Results system.

Strategic Goal – Strategic Goals translate resources into significant Results to be achieved over the next 2-5 years, providing the basis for evaluating the department as a whole.

Strategic Plan – A Strategic Plan sets forth the purpose, strategic goals, operational organization and performance expectations for a department. The Strategic Plan provides information to department staff, corporate decision makers, the Board and the public about how the department is organized to deliver results and what results the department is accountable for achieving. The Plan provides the opportunity for all department staff to see how they contribute at all levels in the organization.

Team – A small number of people with complementary skill who are committed to a common purpose, set of performance goals, and approach for which they hold themselves mutually accountable.

Trend – In data analysis, a trend refers to the documented recurrence over time of a measurable event or circumstance that is increasing, decreasing or even staying the same. The size of the number of occurrences often determines whether the recurrences constitute a trend. If the number of recurrences is very small, such as number of floods in a year, it may take a number of years to document a trend in one direction or another. While a large number of events or occurrences, such as the number of court cases of a particular type, may reveal a trend within months or a few of years.

Values – Values describe those concepts, attitudes, and beliefs that are most important. Collectively held values define an organization and help to distinguish some choices, goals, or hopes or the future as being more appropriate or correct than others. Value statements guide behavior in the workplace.

Vision Statement – Describes what the future would look like if the Department achieved its Strategic Goals and fulfilled its Mission. The Vision should inspire action and be connected to operations.